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THE INTERNATIONAL INSTITUTE OF AGRICULTURE

ORIGIN OF THE INSTITUTE AND SUMMARY OF THE INTERNATIONAL TREATY

The International Institute of Agriculture was established under the International Treaty of 7 June 1905, which was ratified by forty governments. Thirty-one other governments have since adhered to the Institute.

It is a Government institution in which each country is represented by delegates. The Institute is composed of a General Assembly and a Permanent Committee.

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(b) communicate the above information as soon as possible to those interested ;

(c) indicate the wages paid for farm work ;

(d) record new diseases of plants which may appear in any part of the world, showing the regions infected, the progress of the diseases, and if possible, any effective remedies ;

(e) study questions concerning agricultural co-operation, insurance and credit from every point of view ; collect and publish information which might prove of value in the various countries for the organization of agricultural co-operation, insurance and credit ;

(f) submit for the approval of the various governments, if necessary, measures for the protection of the common interests of farmers and for the improvement of their condition, utilizing for this purpose all available sources of information, such as resolutions passed by international or other agricultural congresses and societies, or by scientific and learned bodies, etc.

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PRINCIPAL WEIGHTS, MEASURES AND MONEY OF THE VARIOUS COUNTRIES AND THEIR BRITISH EQUIVALENTS

1 Cadastral arpent (Hungary)	=	1.42201	acres
1 Centimetre	=	0.393715	inches
1 Cho (60 ken) (Japan)	=	119.30327	yards
1 Crown (100 heller) (Austria-Hungary)	=	10 d.	at par
1 Crown (100 öre) (Denmark, Norway, Sweden)	=	18.1 $\frac{1}{3}$ d.	at par
1 Desiatine (2 chetvert) (Russia)	=	2.69966	acres
1 Dinar, gold (100 para) (Serbia)	=	933/64d.	at par
1 Dollar, gold (\$) (100 cents) (United States)	=	48 $\frac{5}{16}$ d.	at par
1 Drachm, gold (100 lepta) (Greece)	=	933/64d	at par
1 Egyptian Kantar	=	99.0498	lbs
1 Feddan Masri (24 Kirat Kamel) (Egypt)	=	1 03805	acres
1 Florin, gold, or Gulden (100 cents) (Netherlands)	=	18.753/64	at par
1 Franc (100 centimes) (France)	=	933/64d.	at par
1 Gramme	=	0.03527	oz
1 Hectare	=	2 47109	acres
1 Kilogramme	=	2.2	lbs
1 Kilometre	=	1093 613	yards
1 Kokou (10 To) (Japan)	=	1.58726	quarts
1 Lei gold (100 bani) (Rumania)	=	983/64d.	at par
1 Leu (100 stotinki) (Bulgaria)	=	933/64d.	at par
1 Lira (100 centesimi) (Italy)	=	933/64d	at par
1 Litre	=	0.21998	gallons
	=	0.0275	bushels
1 Mark (100 Pfennige) (Germany)	=	113/4d.	at par
1 Mark (100 penni) (Finland)	=	933/64d	at par
1 Metre	=	3 28084	feet
1 Milreis, gold (Brazil)	=	28. 261/64d	at par
1 Milreis, gold (Portugal)	=	48 519/64d.	at par
1 Peseta, gold (100 céntimos) (Spain)	=	033/64d.	at par
1 Peso, gold (100 centavos) (Argentina)	=	38. 1137/64	at par
1 Peso, paper (Argentina)	=	18.843/16d.	at par
1 Pound, Turkish, gold (100 piastre) (Ottoman Empire)	=	188.033/64d	at par
1 Quintal	=	1.96843	cwts.
1 Rouble, gold (100 kopeks) (Russia)	=	21.13/8d.	at par
1 Rupee (16 annas) (British India)	=	1/15 of £1	(sterling)
1 Talari (20 piastre) (Egypt)	=	48.111/32d.	at par
1 Verst (Russia)	=	1166.64479	yards
1 Yen (gold 2 fun or 100 sen) (Japan)	=	28.037/64d.	at par
1 Zentner (Germany)	=	110.23171	lbs.

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International Review of Agricultural Economics***

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COMMENT is often made on the absence of any regular leisure in the case of rural workers and particularly on the fact that the most exacting work in the fields coincides with the fine weather and the long days of the summer, when town workers are enjoying rest and holidays. It might well be added that while there is an ever increasing variety of amusements and recreations available for the town population, the traditional diversions of the country have fallen more and more into disuse.

§ 1. RURAL PASTIMES IN FORMER DAYS.

Of these one of the most important was the keeping of May Day, which seems to have been a survival of the Floralia, celebrated in ancient Rome during the last week in April. In the Middle Ages, this festival was universally kept in England and in a part of France. "On the first of May", writes Bourne, "it is the custom for young people of both sexes to rise before daybreak and to repair to the nearest wood, playing musical instruments and blowing on horns; there they pluck boughs and hang bouquets and garlands of flowers on the trees. Afterwards they return home with their flowery spoils and hang them on the lintel of the doors. In the evening they sing and dance round a Maypole which is placed in the middle of the village". "In the Middle Ages," says Siméon Luce, "the peasantry were constantly playing dice with great zest: one kind played with three dice was much in favour and the winner often received a prize in kind of a goose, a duck, a fowl or a rabbit. *La soule* (football) was the most popular of the games of strength, or forms of exercise in mediaeval times. In the fourteenth century blows and bruises were the order of the day, and players might think themselves lucky if they came off without an eye knocked out or an arm or leg broken. The game in fact often served as an opportunity for working off local feuds between village and village. When played between people of the same district, the two sides were usually the married and the single. As a rule,

a well-known personage started the game, either an abbé, or a priest or a noble, no doubt with an idea of exercising some supervision over the game. This was especially a winter pastime, and games were played on Christmas Day, New Year's Day, Candlemas, Shrove Tuesday or Mid Lent. According to the diary of Gilles Picot, Sire de Gouberville, in that district the game was played every Sunday between sides representing the different parishes, people of all classes and all ages taking part with immense eagerness; the possession of the ball was disputed with such obstinacy that players threw themselves into water up to the neck to get it. Those belonging to the same side or team breakfasted together before the game, and in fact it is noticeable that in those days of class distinctions, the classes were nevertheless not so separate as they are in our more democratic times".

The XIXth century seems to be characterized by a reaction as regards the diversions of rural life. This fact becomes abundantly clear on examining the use made of leisure time by peasant or farming families as described in studies made by various authors and included in the collections entitled "*Ouvriers européens*" and "*Ouvriers des Deux Mondes*".

As an example, the study made in 1883 by M. Alexis Delaire of the peasant cultivator of the salt marshes of Batz (France) may be quoted. "The feasts of the Church and weddings form practically his only recreations". In the case of the produce-sharing tenant of the Pyrenees, the subject of a study made some four years earlier by the Baron d'Artigues, "the lighter kinds of work are regarded as rest and recreation. People chat freely as they work, and this is the chief distraction that the family have . . . Outside the daily routine there are two sources of recreation, religious or family festivals, and the fairs and markets". In Russia among the emancipated serfs described by M. A. Wilbois in 1873 and 1884 "evenings of work in common like the *veillées* of France form the principal recreation for young women. They begin on 1 November and from that date up to Mid Lent, every day, except Saturdays and the eves of the feasts of the Church, girls of fourteen and older meet in an *isba*, generally at the house of a widow, and remain there till two o'clock in the morning working in company. They bring with them *loutchines* or candles, their work and light provisions. The young men come in during the evening and in this way make the acquaintance of their future brides, and any disorderly behaviour

is prevented by the fact of the large numbers present. The younger girls under fourteen also have their evenings, but till ten o'clock only; they sing together while they spin. On great festivals if the weather is fine the young men and women hold *chorovodes*, or singing dances. They meet for this purpose at an agreed place, not far from their *isbas*, and form circles and take hands. A youth takes his place in the centre of the circle and is called the master of the dance. He chooses a girl partner and they begin to sing together. During the song the chorus sways sometimes to right, sometimes to left, till the leader finally presents his partner with a handkerchief which he holds in his hand; she then takes her place among the others and the game begins again as before". In 1887 and 1889, Professor Santangelo Spoto described the life of a peasant family of Torremaggiore in the province of Foggia, Italy. "Here," he says "it is the custom for the peasants in summer to assemble relations, friends and neighbours together, on the threshing floor after the threshing is over, and there after a plentiful meal of macaroni washed down with good wine, they all begin to dance with great vigour to the sound of the pipe and the guitar. The musicians are people of the district, who go from threshing floor to floor, when the threshing is over and share in the meal with the peasants and afterwards receive as their wage a half decalitre of grain. At other times of the year, the men meet especially on Sundays on the piazza of the country town or village and discuss at great length agricultural questions, or the latest news. The family feasts are the Church festivals and those of San Severo and of Foggia, where people go to listen to the band... For the women the pastime work is an opportunity for amusement, especially when it is done in their neighbours' company and when they go mushroom picking or caper-gathering". According to M. Claudio Jannet, who in 1891 wrote on the recreations of the peasant farmers of the west of Texas, United States of America, they are as follows: "The farmers of the Calahan county have no form of public rejoicing neither civil nor religious. The Fourth of July, the anniversary of American Independence, and Thanksgiving Day, in October, are kept only in the towns... Public worship is only an occasional relaxation, as there is no regular Sunday service. Sunday is observed as a day of absolute rest, a few visits to neighbours may be paid or received. The principal relaxation is attendance at religious meetings and camp meetings as well as at the lodge of the Farmers' Alliance... House-

hold duties and the care of her children generally prevent the woman from attending religious meetings, in spite of the fact that she would find them enjoyable. Her sole recreation is to receive visits from her mother or relations, or very occasionally to go to see a sister settled close by . . . The farming families much enjoy meeting for dancing in the winter evenings. A family sends round word that there will a dance in the house on such and such an evening, without giving any more formal invitation. People come as they like ; there is always a large company, mostly of young people as the married women and mothers of families stay at home. Waltzes are danced in a room to the sound of hired violins : dancing begins at eight o'clock, and goes on till late at night... As no refreshment is offered, the families that give the invitations are put to little expense ”.

§ 2. RURAL LEISURE TIME OCCUPATIONS AT THE PRESENT DAY.

The researches made by Le Play and his followers, the results of which are embodied in the two great collections, *Les Ouvriers européens* and *Les Ouvriers des Deux Mondes*, give the thoughtful reader a somewhat pessimistic impression of the pastimes, or to speak more precisely of the absence of pastimes in rural life. It is evident that the development of modern cities, with their constantly increasing intellectual resources and the perpetual novelty of their amusements, must inevitably make the peasant classes realize more clearly the monotony of their own daily life. From this realization to a revival of the traditional pastimes is only a step : “ Forty odd year ago, ” writes one of the staff of the International Labour Office in an article on the employment of leisure time among the rural workers of Great Britain, “ the national game of cricket meant as much to the village as it does now. Wherever ground was available many of the farm labourers went to the cricket field after work and might be seen playing so long as the light lasted. There have long been cricket and football clubs, village reading and club rooms used for recreation, the bell-ringers’ associations, local branches of the Friendly Societies, the Mothers’ Union (this last principally concerned with what we should now call Infant Welfare) ”.

Statements of the same kind might be made about a number of other countries. A brief review may therefore be given of the recreations of rural life at the present time. These may be ranged

under four heads : social diversions, outdoor sports and games, intellectual and artistic pursuits.

Social Diversions. — Isolation is, it would seem, the chief drawback of country life, and the first effort at overcoming this isolation consists in taking part in the festival special to each region. The May Day festival is one of these, about which something has already been said. Another festival still found in many places is that of the Midsummer bonfires, or St. John's Eve fires, when there is dancing round the fires under canopies made to imitate flowers and often very gracefully designed. Another Normandy festival is the Feast of the Kings', which is none other than the Epiphany. It is thus described by M. Georges Risler : " There is no family in Normandy so poor as not to keep the ' Kings' (*les Rois*). From the evening of 5 January, except for the necessary care of the live stock, all work is suspended, in farm, shop and factory and the feast begins. The children who are in service at a distance and may not have asked for a holiday for a whole year past, claim it absolutely for this day. Special trains, from the capital of the Department, set down the maids at the stations for 40, 50 or 60 kilometres all along the line, and the girls then find their way on foot or by public conveyance to the parents' home. That day the rabbit, who has been supplied for six months past with all the food he could eat, is sacrificed, and also the cock who does double service in the modest courtyard. It is a complete family gathering with eating, drinking, singing but no dancing, as this is not a suitable season. Poorer neighbours are not forgotten, and the children who go from door to door with lamps which a cold north wind keeps blowing out as fast as they are lighted, singing

" Donnez, donnez la part à Dieu
Nous vous chanterons les Evandjeu ", etc.,

find their baskets filled with pieces of the famous *gâteau des Rois*, which the baker presents to each family, or with other dainties, or perhaps a few sous put in their purse. The next day feasting begins again, and some families keep it for several Sundays in January up till the last which is kept as the day of *les Rois morts*". In the Armagnac in the South-West of France, the evening parties (*veillées*) arranged on the occasion of the *despouilladé*, or the maize-husking, may be mentioned. " Neighbours invite each other to

the *despouilladé*, " says a witty writer of the district, Joseph de Pesquidoux, " and sometimes mere acquaintances are asked. Every evening there is a constant movement between the farms. After a light supper, young women and their husbands, girls and boys, by moonlight or by the light of little lanterns which look like will-o-the-wisps, hurry towards the farm where the party will be held that evening... They rap at the door, and it opens and the kitchen is discovered with its blazing hearth and a perfect fire work of sparks. There is a whole uproar of greetings. Then while the older women, silently busy, but with tender joy in their eyes, keep stirring the fire so as to get the growing embers on which to roast the chestnuts, which are split and ready, and put the clean cloth and the bottles of new wine on the table, the young people rush to the barn. A tallow lamp, hung from the centre beam, gives a feeble light. Every one chooses a place, some at the top of the heap, some buried half way down, others on the floor. The *bâtonnets* are soon busy (1), and for a few minutes in the first fever of work there is complete silence. The only sound is the crackling of the split husks and every minute the tinkling of the stripped cob as it is tossed into the bucket. Then a laugh breaks out, then a second and finally a whole volley of laughter. Suddenly without warning and as though of its own accord a song begins, at first just one man's voice alone, then comes the chorus and all join in. The singer who at first was seated now rises to his feet and sings in French abandoning the usual patois of the district. The reason of this is that since the time on earth of the *Grand Empereur* it has become the recognized custom on the *despouilladé* evenings to celebrate his story, his victories and defeats, and all the blood and tears shed to his glory, and the struggle immortalized in memory... After the songs, comes story-telling, the smuggling yarns and tales of goblins. But fingers are busy all the while, the stripped off sheaths lie in heaps and the buckets fill with cobs. At last from the other side of the wall the kitchen clock is heard striking. It is midnight and one of the old women looks in and says *Les irolles* (chestnuts). At the magic word work ceases and all rush to the kitchen, dimly lit with lamps now the fire is low. Everyone sits down to table, the chestnuts are brought in

(1) Maize-husking is done by means of a small pointed stick or *bâtonnet*. This is introduced between the cob and the sheathing husk which is then turned back on the worker's hand. The cob is held, and the sheath or husk stripped off and thrown away.

piled on hot plates, the wine is poured out, and soon once more may be heard the crackling of the roasted shells under busy fingers ”.

Corresponding to these “veillées” of the Old World there are the American picnics, which farmers in the United States or Canada find an admirable way of keeping in touch with neighbours. In less than a month, 200,000 persons were present at 40 picnics in Manitoba, and at one such gathering there were over 20,000 guests. It should be added that these open air feasts are usually preceded by talks on farming subjects, music, athletic sports and dramatic representations.

A more developed stage of organization is represented by the village clubs in England and the clubs (*Gemeindehäuser*) in Germany; the Farm Women's or Women's Institutes Clubs in Canada, in England and Wales, in Belgium, in France, in Poland, and also the girls', women's and housewives' associations in Japan.

In England, the Village Clubs Association was founded in 1918 for the purpose of developing opportunities of reasonable recreation and social intercourse, as well as encouraging mutual aid among rural workers, whether men or women. The Association is engaged in promoting the establishment of such Clubs on the following principles :

1. The Club should be the centre of all social activities, and of all forms of physical and mental recreation.
2. It should be self-supporting, and free from the elements of patronage.
3. All inhabitants of the village, without distinction of class or opinion, and when practicable of both sexes, should be eligible for membership.

These principles being admitted, the Club shall endeavour by all possible means :—

1. To assist the development of social, recreational and educational activities in the area it covers.
2. To promote, or assist in the organization of courses of lectures, classes, musical, dramatic and other entertainments, either individually, or in co-operation with other Clubs.
3. To promote or assist in the formation of village libraries, and to arrange schemes for the provision and circulation of books and periodicals.
4. To make arrangements for mutual intercourse between

members of affiliated Clubs and to promote or assist in the promotion of inter-club competitions.

5. To encourage the revival and extension of rural industries and handicrafts and to promote the development of an interest in local tradition, history and folk-lore.

6. To support any measures for the furtherance of the health and well-being of the village.

7. To co-operate with other organizations or institutions having objects similar to those of the Village Clubs Association.

According to the *International Labour Review*, the Village Clubs Association included in May 1924, 529 clubs affiliated, distributed, though unequally, over the whole of Great Britain, and varying as do the villages themselves in importance, type and activity. Sixty-eight per cent. of the Clubs were mixed, open to both men and women, and the remainder confined membership to men. During the winter of 1923-24, various series of lectures were organized in about half the number of the clubs. Three-fifths possessed libraries and about four-fifths, billiard-tables. One third of the number were combined with cricket and football clubs. It may be added that besides the clubs affiliated to the Village Clubs Association, there are a certain number of village clubs which have been instituted since the war by the Young Men's Christian Association.

In Germany clubs (*Gemeindehäuser*) have been almost universally established, though in a somewhat sporadic fashion; these institutions are intended for purposes of recreation, instruction and education exclusively. When young people form the majority of the members these clubs are also known as *Jugendheime*. Where it is found essential to supply refreshments, alcoholic drinks are prohibited. The *Deutscher Verein für ländliche Wohlfahrts und Heimatpflege* (German Rural Welfare Union) founded in 1896 by Professor Sohnrey, under the patronage of the Prussian Ministry of Agriculture and the Prussian Ministry of the Interior, includes among its objects the establishment of clubs, places where non-alcoholic beverages are served, young people's clubs, the extension of general culture, means of giving a rural bias to all scholastic institutions in country districts, the development of lecture schemes, of the educational use of lantern slides and films, of libraries and reading rooms, aid to small country periodicals, adaptation of church services to rural conditions, encouragement of social life (evening gatherings, theatrical performances, concerts, family festi-

vals and games), preservation of the peasant dress and customs of former times, of historical traditions, legends, songs, etc.

Coming to the Women's Institutes, the first to be formed, the Stoney Creek (Ontario) Institute, dates from 1897. Their aims and objects are: "The dissemination of knowledge relating to domestic economy, including household architecture, with special attention to home sanitation; a better understanding of the economic and hygienic value of foods, clothing and fuel, and the more scientific care and training of children with a view to raising the general standard of the health and morals of our people; and the consideration of any problem or the carrying on of any line of work which has for its objects the uplift of the home, or the betterment of conditions surrounding community life".

At the present time these Institutes are found in all the provinces of Canada. In Ontario there are 930, with 29,000 members. In the province of Quebec, where the first institutes were only founded in 1915, there are already 74, with 8,000 members. In the United States there were 920 in 1912, and at the present day they are in existence everywhere. In England the National Federation of Women's Institutes included at the end of 1923, 2,932 clubs, as against 2,580 in the previous year; in Scotland there were, at the same date, 340 Scottish Women's Rural Institutes, and since 1910 Ireland has had its Society of the United Irishwomen. In Belgium, in 1922, there were 553 *Cercles des Fermières* (Farm Housewives' Clubs) with a total membership of 47,067 and 2,094 meetings were held in the course of the year; a committee consisting of delegates of different federations is responsible for the general progress of the Clubs and co-ordinates their work. In France the *Société des Agriculteurs de France* formed on 24 April 1912 a women's section the object of which much resembles that of the Belgian Committee. The War however checked the expansion of the Clubs or Institutes in France, but the same ideas are now put forward by the *Semaines rurales*, a form which perhaps better suits the national character. At all events the farmers' wives, who from the difficulty of getting help well understand the value of time, seem to appreciate these meetings, which though taking up a relatively long and busy period occur at long intervals and thus do not mean a constant interruption of work. These *Semaines rurales* may be conducted in one of two ways, according to the object in view and the audience. This distinction is brought out clearly by M. Achille Glorieux in a report to the Section of

Agriculture at the Fifth National Congress on the Birth-Rate, which was held at Marseilles in September 1923

(a) Sometimes the material side of life only is considered, the object being to make better known certain scientific methods, or certain processes with which it is important that rural households should be familiar : for example there may be : 1. a week of dairying, during which the treatment of milk, butter and cheese will be explained and practised in view of all present ; 2. a week of poultry-keeping during which all questions relating to the poultry-yard will be dealt with by specialists ; 3. the making of fruit and vegetable preserves and methods of displaying and packing may also be the object of courses of this kind. In such a case the demonstrations are carried out in public in a hall lent by the commune. People come as they like. They are in fact object lessons organized with a vocational or commercial purpose by the agricultural associations or by the large railway companies or export firms to whom it is a matter of importance that the products of the farm should be delivered absolutely fresh and in good order.

(b) Another quite different form of the *Semaine rurale* is the educational type of which the purpose is not material profit but the training of judgment and character. The aim proposed is the training of women of superior type, in other words to teach girls how they may best use their powers for the welfare, the happiness and the progress of their families, to develop their intelligence and instil a feeling for the non-material aspect of life, to enable them, in short, to fulfil better their parts as mothers and bringers up of children.

In the area of Poland which up to the time of the War formed part of Russia there were, at the end of 1912, 92 Farm Women's Institutes with more than 3,000 members, and 61 Women Farmers' Institutes or Clubs with more than 1,000 members. These Clubs are not merely intended to raise the standard as regards farming practice. The long winter evenings are employed by many of the women in learning needlework and cutting out or other manual work, weaving brightly coloured cloth or woollen material. In other villages they meet for reading together and many of the clubs have libraries. Amusements are not despised, and some clubs have organized amateur theatricals, picnics or outings. The temperance movement is making progress and many of the reports of the Institutes speak of festivals, weddings and family parties where alcoholic

beverages are completely prohibited. Benevolent and charitable work is not neglected, even in the farm women's clubs ; one report speaks of the maintenance at the common expense of a little orphan girl ; another of the charge of an old age home ; a third of a holiday camp. The reports of the Institutes of Women Farmers also speak of holiday camps, children's homes, household management schools, help given to provincial hospitals and the training of midwives and sicknurses at the expense of the Clubs.

In the country districts of Japan, the most important women's associations are the young girls', the women's and the housewives' associations. A recent enquiry into the two first groups elicited the following information. The girls' and women's associations are in course of development and all the prefectures give them support and encouragement. There are at present 6,185 girls' associations, with 530,029 members ; and 5,570 women's associations, with 872,407 members. The main objects of these associations are : to provide for the after school instruction of members, to cultivate in them a spirit of association as well as the true feminine virtues, to allow scope for their aptitudes and to give them a wider range of knowledge, in short to give them a practical education which will tend to bring about a higher standard of family, social and vocational life.

The use of the cinematograph by the Farm Women's Clubs is becoming more and more frequent. In Ontario the Farm Women's Institutes purchase the films, etc., with the help of the easy terms of payment arranged by the Government, and also use films placed at their disposal by the authorities. In Belgium various organizations provide educational films for the use of the Institutes on advantageous terms. Special mention may be made in this connection of the Antwerp Educational Film Organization and the Brussels *Société Nationale de propagande et de cinématographie*. In England the county dépôts of the Young Men's Christian Association supply all the villages in the county at moderate charges with 6000 feet of film with all the necessary apparatus and the services of an expert operator. In France there is a film loan department in the Ministry of Agriculture, and a sum of two million francs has been voted for the purchase of agricultural and informative films, etc., in pursuance of the Decrees of 20 May and 17 December 1923. By the terms of the latter decree :

1. The right to apply for agricultural films for the purpose of rural propaganda, etc., is allowed to educational institutions, as-

sociations for collective cultivation, agricultural syndicates and responsible persons ;

2. Every request for agricultural films is to be addressed to the *Office agricole* of the department. Films are only sent by post to persons or associations on the Ministry's free posting list ;

3. The catalogue is sent free on application. No charge is made on the films loaned and they may not be kept more than a fortnight, without special permission ; not more than ten films may be sent at one time to the same department.

Apart from this official movement, private organizations such as *Le Cinéma à la campagne* hire out films at much reduced rates. The minutes of a meeting held on 21 December 1923 by the Section of Town and Country Hygiene and Social Thrift and the Agricultural Section of the *Musée Social*, state that in consequence of the large and thinly populated areas served the receipts do not cover the expenditure, especially as the periods during which representations actually take place are so limited. In Germany the experience is much the same. According to in the issue of 30 June 1924 of *Industrial and Labour Information* (published by the International Labour Office), it is stated that a rural film service managed on commercial lines and handling 900 films at its Berlin offices would have been unable to show the films at all were it not for the fact that some four hundred persons gave their services voluntarily.

The telephone may be reckoned as among the ways of escape from the isolation of agricultural life. In the United States rural telephones are now very numerous. In England, if a sufficiently large number of farmers, all living near the same road leading to a town where there is a telephone service, agree to subscribe, they can have the telephone installed at a rate varying from £4 to £4 10s. per mile, according to the number of the subscribers. Special rural party lines are also established, on which it is possible to speak to any place within a radius of about 150 miles for a subscription of £4 per year, when there are not less than three instruments per line with an average of three per mile of line, not reckoning the first half-mile from the exchange. When there are only two instruments per mile of line, the subscription is £4 10s. per year. It may be added that wireless telephony or broadcasting is spreading very rapidly in the country districts. A Barnett House (Oxford) circular offers the use of a wireless set, with operator, for seven shillings and six pence, and without operator, for two shillings and six pence, with

a supplement of three pence a mile for transport by lorry to any part of the country. To quote the *International Labour Review*, this seems to be the last word on the subject of modern recreation.

Open Air Sports and Games. — It is a curious fact that in the different works devoted to the study of country pastimes, the first place is nowhere given to the king of sports and the sport of kings : hunting. But, even in the old countries, where game is scarce, hunting does occupy a place among the recreations of the peasants. In the Pyrenees, as soon as a herd of antelopes is sighted, the news goes the round of the village, and all the men take part in the pursuit, in two parties : the shooters with their guns, and the beaters, carrying heavy iron-tipped sticks, and the dogs following. In the same way on the clear nights, when the badger is out on foray, "pitchforks are seized, dogs are coupled, and while some stretch sacks over the entrances to the earth, others stand round in a circle. Once the badger's earth is stopped, a whistle sounds and the dogs are let loose. The animal is quickly discovered, closely pursued from thicket to thicket and attacked. It breathes hard and struggles over every inch of ground, making all the time for its earth. There like all trapped beasts the badger makes a final effort, and leaps forward. This means the end, the men run it through or stun it and the dogs tear it to pieces " (Joseph de Pesquidoux).

The popularity of cricket and football in Great Britain is well known ; among the Basque peoples of France and Spain the pelota is played with equal enthusiasm : "Pelota," writes Joseph de Pesquidoux, " is played in the open air, against a wall, on a cemented court. The pelota or ball is made of close bound cord covered with sheepskin. It is extraordinarily elastic, and will rebound to an immense height and distance, and is also so firm that only very occasionally is it put out of shape by the strokes. The wall is 10 metres high by 18 metres wide, and the top is rounded in the middle like a portico ; it is made of roughcast with a hard glaze, and has a smooth, grey appearance as if made of iron. It is surmounted by a wire netting to stop the balls that go wide, and a band of metal runs across it at the height of a metre from the ground. The playing surface is from 65 to 70 metres long, and 17 wide. It is divided into two unequal parts, the smaller bounded by a chalk line drawn at 25 metres from the wall. There is another wall behind the players, called the *rebot*. Wooden steps rise on each side and the whole is called the *frontón*. Sixty points go to the game and the scoring

may be in any part of the court. It is a fault when the ball is not taken either at the volley or on the first bounce when it strikes the wall below the band, when it falls outside the court or into the netting, and finally when the ball comes off the wall short of the chalk line. Every fault on one side scores one point to the other. Disputed strokes are decided by three umpires and no appeal is allowed. A scorer sings out in Basque the position of the game. Each side consists of three players, one of whom is the captain, and the sides are distinguished by the colours of their belts and caps, either red or blue. The play is both fore and back handed. The ball is taken and returned by a kind of basket work racquet, known as the *chistéra*, which is like a second large curved hand, added to the players' own. A thick leather glove is sewn to the top of the *chistéra*, and the man puts his fingers into it. The *chistéra* and wrist are then bound tightly together so that as the ball when taken must be instantly returned the arm loses nothing of its precision and promptitude".

In the North of France the game or sport corresponding to pelota is sometimes tennis, sometimes archery. Speaking generally each country has its special games, which often date far back into the past. Thus archery which has just been mentioned originated in a decree of 1396 by which Charles V, who was anxious to secure among his subjects the same conditions as had made the English archers the best in the world, forbade practically all games of chance and ordered that all young men should exercise themselves in shooting with the bow and cross-bow; in the same way, in Spain, the bull fight is an inheritance from the Moors, who in order to wile away the long summer afternoon selected the fiercest animals in the herd and taught them to charge full gallop at a man.

Among modern sports with an assured popularity in all countries the automobile and the bicycle may be mentioned. In three of the Canadian provinces, Manitoba, Alberta and Saskatchewan, nearly 20,000 automobiles have been bought by farmers; as to the bicycle, in many countries, in Belgium for example, nearly every peasant possesses one. The development of motoring in the country districts near the urban centres may however be calculated to attract to the towns the farmers who take it up. This fear is too often expressed to be entirely without foundation. On the other hand, at the meeting of the Musée Social at Paris which has been already mentioned, M. de Vogüé was able to state that in France "the craze for instituting playgrounds in villages noticed during the last few years is

tending to disappear in consequence of the popularity of the bicycle and the organization of races which attract large crowds". This is possibly a matter for regret.

Intellectual Pursuits. — The use of leisure time for the more intellectual pleasures has already been discussed when the work of village clubs and Women's Institutes was being described. The lectures arranged in connection with these treat of a variety of subjects. In Great Britain, according to an inquiry published in the *International Labour Review*, "historical fact and principle... would seem to take first place with the men... Geography and English literature tend to be the second favourites... After these biography, natural science, Local Government, elementary economics, education, French, music and singing, moral and social welfare, wages and prices, the history of their own country, and the evolution of the home seem to be the most popular of the subjects for lectures or study, and almost in the order cited". This list seems to supply a useful guide.

In France, the *Semaines rurales* include as a rule each day three courses properly so-called not including a visit or object lesson and a recreative gathering at the end of the evening. These courses deal with technical or social questions, the technical subjects being the most popular. They are given, so far as possible, by local experts and preferably relate to the productions of the country side taking particular account of local conditions and special needs. The courses on social questions, which are less frequently given, cover such subjects as vocational organization, agricultural associations, insurance, co-operation, etc.

Mention should also be made of the correspondence courses in France originated by the Union of the Agricultural Syndicates of the South-East. The methods already employed by private enterprises for preparing for other types of schools, commercial or technical, are here applied to agricultural education. Since the War these courses have developed to a remarkable degree and are evidence of a very keen desire on the part of the best elements in the rural community for self education. According to the review *La Pratique Sociale* (Paris, January-March number, 1924), during the scholastic year 1922-23, more than five hundred farmers regularly sent up exercises for correction to the South-Eastern Union, and there are in France twenty or more such centres of instruction, including centres at the Burgundy and Franche Comté Syndical Union, at the Union of the Alps and Provence, at the Normandy Union, etc.

The courses are intended for young farmers living in remote districts, who desire assistance in their study of agricultural questions, or for already existing groups, such as agricultural syndicates, co-operative societies, etc., in which case the students can receive instruction under the direction of a group leader. No special qualification is required in the case of these leaders; it is their first business to co-ordinate the common efforts, and to give advice, to the best of their ability only; on occasion however a leader may call in the help of skilled agriculturists who will explain questions that are not clearly understood and give valuable demonstrations. A "monthly sheet" received by all registered students either directly or through a leader indicates the work to be done. This work includes the study of certain passages in a prescribed Manual of Agriculture, a visit to an agricultural establishment, sometimes personal experiments, and finally an essay and some problems. Exercizes sent each month to the Secretariate of the courses are returned corrected and in addition a monthly sheet supplied to all subscribers publishes a general criticism of the work submitted as well as the best exercizes. The courses last for two years and are the same for all registered students and may be begun equally well in either year. At the end of the two years, an examination may be taken before a board made up from the directors of the Agricultural Syndicates, and a diploma is awarded to the successful students.

Home education is more generally provided through the agricultural libraries. In Belgium, immediately after the armistice a number of new libraries were established and supplied with books by the Minister of Agriculture, generally at the request of special groups; in view however of the reduction of the credits voted, preference is now given to circulating libraries provided for the use of the federations in the proportion of one or two libraries per province. In Denmark, for a number of years past, the communes and the State have been actively engaged in founding popular libraries in the country districts. In 1920 there were, in all, 609 popular libraries in the country, with 406,000 volumes and nearly 900,000 issues of books on loan in the course of the year 1919-20. In addition there were children's libraries in 472 communes, that is in more than one third, with 150,000 volumes in all. In Japan, libraries, circulating or otherwise, are very widely diffused in the villages. In Serbia a large number of villages possess libraries. In England, Wales, Scotland, and Ireland, circulating libraries are in process

of organization for each county, on a simple and ingenious plan, well described in the *International Labour Review*: "In the town most convenient for the distribution of books a Repository is established from which the books are sent out by rail, motor-van, or otherwise, principally to village schools, but also to clubs or institutes, which act as 'centres' from which readers obtain books. In Ireland co-operative societies are also used as centres. The County Librarian does not need any considerable amount of space, for it is his main object to keep his stock in circulation. Money which in the old days went into building or salaries can now be spent on books and the simple machinery of distribution. The Library Committee of the County Education Committee (representative of all the public educational bodies) helps the County Librarian in the administration of the scheme, and, from the first, appoints sub-committees to choose the books, and watch over the finances. The Trust (1) bears the whole expense of the scheme for two years in the faith that it will be proved both necessary and workable before this time is over, and that the County will be eager to maintain it out of public funds. When this is so, the Trust makes a gift of the equipment, *i. e.*, books, shelving, office furniture, and the travelling book-boxes, but in case of refusal to continue it would resume possession of all this equipment for use elsewhere".

In the United States, the assistance given to the organization of libraries by the Carnegie Fund has resulted in the adoption of a similar system of decentralization. In Canada, also, the rural libraries, fixed or circulating, have shown remarkable development. The number of libraries in the agricultural province of Ontario is larger in proportion to population than in any other country.

Artistic Pursuits. — Music is perhaps the most ancient and undoubtedly the most general of all the arts which find expression in the country. In Germany there is no village without its choral society and string band. In Belgium anything even distantly approaching to a musical festival is most popular. In Great Britain alone there are about 180 musical festivals yearly, and four to five hundred persons take part in each. In Wales every village sends competitors to the *Eisteddfod*, the congress of the Welsh bards and minstrels. In Canada, the Women's Institutes have pianos in their "community halls". In the United States, an enquiry relating

(1) The Carnegie United Kingdom Trustees.

to 402 rural families in Livingstone County (New York) showed that the greater number possessed some musical instrument, generally a piano or a gramophone, and quite often both.

The Muse of dance is sister to the Muse of song. Practically wherever there is love of music dancing is a favourite form of recreation. In England festivals are often arranged by joint co-operation between musical societies and folk-dancing societies. The *International Labour Review* however states that there is great enthusiasm for folk-dancing in certain counties, and none at all in the neighbouring counties.

Certain causes contributory to the success and popularity of the theatre in the Middle Ages and earlier are absent under present day conditions. In Greece, in the times of Aeschylus and Sophocles ; in England under Elizabeth ; in France when the mystery plays were performed, the theatre was common to all, open to all, without distinction of age or of education ; it was in fact so to say an act of communion. Thus as a highly talented French dramatic author, Henri Ghéon, writes, "popular drama, the drama, in short, must have an ideal and a favourable milieu. Because both are absent in modern days, a popular dramatic art... would seem to be unattainable. In Luxemburg, where dramas written in patois, acted by peasants and largely based on rural life take an important place, they contribute little to the formation of taste or right feeling. In France up to the present time attempts at popular drama have not been successful.. An amateur society, calling themselves *Les Cornéliens*, who give performances on request in return for expenses only, have given successful renderings, in a number of different places, of the comedies of Molière — the only one of the classic dramatists who really makes an appeal to the populace — of the poetic drama of Victor Hugo, etc". The indefatigable Henri Ghéon, who is both actor and playwright, is trying even more successfully, to form a repertoire theatre in which the best traditions of the French drama prior to the 16th century will find a place. But the best results of the movement would seem to be in England. The British Drama League, the object of which is to encourage dramatic art both in towns and villages, includes among its members nearly 150 village societies. The Village Drama Society, which hires out at very low rates dresses and theatrical properties, scenery, etc., and sends on application experts to direct the rehearsals, is already in touch with 1,500 villages in all parts of England. According to the *International Labour Review*, "a remarkable number of village acting groups give performances of

Shakespeare plays. Speaking generally their preferences seem to lie in the direction of the stirring type of drama alternating with religious plays ; when they get away from these they turn to broad comedy or farce ”.

§ 3. WORK OF PUBLIC AUTHORITIES AND PRIVATE INITIATIVE.

The part taken by the public authorities and by private activity respectively in the initiation and encouragement of different ways of utilizing leisure among the rural classes may now be examined. First of all, the question may be raised whether it is the business of the public authorities to take any part at all. There will be an unhesitating affirmative reply by those who hold that public activity should include the creation of a social milieu of such a kind as to be favourable to the most complete and harmonious development of human personality. But it is in practice peculiarly difficult to define the degree to which public authorities should intervene in this matter and the methods they should adopt. As a matter of fact it is understood that everyone may use his leisure as he pleases so long as he does not interfere with the liberty of others. Leisure is besides a quantity which varies according to the season, and may even disappear altogether at the busy times of haymaking, harvest, etc. Thus the institution of the *veillée* makes it possible to accomplish certain tasks more quickly than could be done with the hands ordinarily available ; it is a natural form of mutual aid. It is thus readily intelligible that the public authorities maintain a certain reserve as regards any intervention in the employment of rural leisure. When such leisure exists and to the degree that it is found, those most nearly concerned make a point, as has been seen, of utilizing it in ways which conform to the manners and customs of the country and to the possibilities of the season, the climate and the locality. The initiative lies most often with the workers themselves, at least in the form of knowing what is wanted ; it is for the public authorities to second the efforts made.

There are many ways in which public authorities can so second effort. They can, for example, do much to ensure the success of village sports by bringing pressure to bear on transport organizations and arranging with them to put on additional trains, motorbuses, etc., on days when local festivals are held. They can also offer prizes at local competitions.

More important is the part they can take as regards educational work or recreations of the more intellectual kind. Mention has already been made of the establishment and loan of cinematograph films. Professors and lecturers are detailed for the purposes of the Women's Institutes and other educational groups, and the local authorities may even contribute towards the training of organizers of these institutions. Thus in England summer courses were held in 1920 at the University of Oxford and at University College, Aberystwyth, for these organizers. In Canada, in the province of Ontario, State aid is given to the Institutes under the form of supplying lecturers or publications, advice, etc. ; it is however to be observed that the grant made does not exceed \$ 1 per member while the Institutes spend six or seven times as much. In the case of libraries the public authorities go much further and make grants, often of considerable amounts, towards their institution or for additions. For Great Britain and Ireland the Public Libraries Acts of 1892 to 1919 are of special importance, as the counties thereby acquired the right of levying library rates and even of contracting loans with the view of meeting expenses under this head.

In certain new countries where the population is spread over vast areas and is not grouped in villages, the action of the public authorities is still further extended. In Canada, in pursuance of the Ontario Community Center Act, the Minister of Agriculture of Ontario has the power to grant loans to assist municipalities to establish communal halls and playgrounds. These loans may amount to 25 per cent. of the cost of installation, but must not exceed 2,000 dollars, and the municipality concerned obtains the remainder by means of an issue of bonds. The building must include at least one hall with moveable seats, a stage and other accessories, a reading room with a collection of books and a kitchen. In the United States, eight States, *viz.*, Illinois, Iowa, Kansas, Massachusetts, Michigan, Nebraska, New Jersey, Tennessee, adopted between 1919 and 1922 special laws granting to counties, districts, towns and villages, the right to erect or to buy and to administer premises mainly devoted to recreative use by soldiers and sailors who had served in the Great War, but also intended to be used for recreative purposes by the whole community (1).

(1) In other States : Kansas, Missouri, New Mexico, North Dakota, Pennsylvania, South Dakota, Vermont and Washington State, similar arrangements are found, but with more limited scope.

In Wisconsin administrative districts are not taken into account and in virtue of the Wisconsin Community Center Act, a "community center may be created and a community house therein erected, maintained, operated and managed in any tract of contiguous territory containing either an area of not less than sixteen square miles or a population of at least five hundred inhabitants, such territory to be bounded by town, school district, section, or quarter section, or ward lines, or streams, lakes, swamps or similar natural boundaries". The persons interested themselves define these boundaries in the petition by which they apply for the establishment of the "community center", and vote yes or no on the desirability of its establishment. Once this point is settled, they tax themselves to meet the cost of the construction and upkeep of the necessary buildings. It should be added that according to the terms of section 937s of the Wisconsin Statutes, the community house may be used for the following purposes: "Public gatherings for information, discussion, recreation, amusement; public banquets, suppers, and festivals; athletic games; rest rooms; rooms for community agricultural projects; and such other purposes as the electors may deem fit".

With the Wisconsin Community Center Act, one passes naturally from the sphere of the public authority to the sphere of private initiative. The fact is that in all that relates to the recreations of the country-side, there is constant co-operation between private initiative and the public authorities, or more precisely, the action of the public authorities is confined to giving private initiative all possible scope, and to allowing the fullest development of its activities. This policy is particularly noticeable in Great Britain where the County Rural Community Councils are largely the outcome of the experience of local councils. The Parish Councils, local government bodies established by the Local Government Act of 1894 modified by amending laws of the years 1894 to 1921, include among their powers that of laying out or arranging for upkeep of plots of land and playing grounds for recreative use by the inhabitants of the parish. Representatives of the Parish Councils, acting in conjunction with those of athletic clubs and various associations interested in the question of education and recreation for young people and others, had already formed the nucleus of village committees or councils. These committees recognized that it was advantageous to work in conjunction with those of neighbouring villages, in view of common action. Co-operation in such matters as the remunera-

tion or travelling expenses of lecturers, transport of apparatus for lantern lectures, travelling films, etc., was found materially to reduce expenditure. In Oxfordshire, in 1920, a further step was taken and by the constitution of the first County Rural Community Council, a close co-operation was successfully established between official organizations and private associations, the object of which is to encourage educational schemes and schemes for recreation and to promote the hygiene and general welfare of rural workers throughout the county. According to the *International Labour Review* similar Councils are now in existence, under various forms, in eleven counties, and their formation in others is proposed. Although the composition and organization of these consultative bodies differs very considerably and in accordance with local circumstances they include as a rule : (a) representatives appointed by the County Council and by the Education, Health and Agricultural Committees of the Council ; (b) specially qualified persons, or representatives of other county organizations, such as the Director of Education or the Director of Agriculture, as well as representatives of the landed proprietors, the tenant farmers and the agricultural labourers ; (c) representatives of private associations engaged in social work, including organizations the object of which is physical and moral training, such as the Boy Scouts and the Girl Guides, and all the institutions designed to accustom young people to employ their leisure time in a healthy and sensible way. Although these County Rural Community Councils have scarcely yet made themselves felt, it would seem that this is the scheme likely to bring about the best results. An isolated effort may in fact, when accompanied by enthusiasm and with all the attraction of novelty, give rise to a movement which at first may be surrounded with a certain illusion but the future of which is linked indissolubly with the personality of the founder. Only common united action will assure the permanent character of the movement, that is to say its definite success. This principle has been long recognized in the sphere of benevolent schemes, and the results obtained in this sphere in Germany, France and Great Britain have been particularly encouraging. A similar result should follow when public authorities and private initiative in all its forms unite to solve the problem of the recreations and leisure occupations of the country side.

MAURICE BEAUFRETON.

HOME COLONIZATION IN GERMANY.

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HOME colonization is chiefly undertaken in Germany with the object of forming or maintaining a due proportion of small, medium sized and large holdings. Under such conditions a large rural population can be maintained and increase rapidly, the surplus going to supply the labour wanted in the industrial centres which constantly absorb population, and to introduce fresh blood into the

towns. As regards the relations between classes, conditions keep changing, as every industrious and intelligent person, from the manual worker upwards, has the chance of rising to better conditions of life, and from his constant close touch with circles on a higher economic level, he is subject to valuable stimulating influences of a moral, intellectual or economic order. The element of the capable and progressive manager is retained on the large farms, much to the general advantage.

Where this due proportion between the holdings or estates of various sizes has become obscured, home colonization intervenes to restore the balance. As regards Germany, colonization has taken place chiefly in the territories to the east of the Elbe. Since these territories are for the most part Prussian, German home colonization has been, and is, primarily a Prussian institution.

Germany may be divided into three large areas according to the distribution of agricultural holdings and the usual extent of the different grades of holding in each, the first area being that of the small peasant farmers of the South-west, including a great part of Thuringen; the second that of the more well-to-do farmers west of the Elbe, on the Lower Rhine, and on a wide strip from Schleswig-Holstein to the Bavarian Alps; and the third the area of large estates to the east of the Elbe.

TABLE I. — *Division of the Areas under Cultivation among the different kinds of Farms.*

Kinds of holding	Area cultivated (in millions of hectares)	Representing farms			
		under 5 hectares	from 5 to 20 hectares	from 20 to 100 hectares	over 100 hectares
		percentage	percentage	percentage	percentage
Land cultivated by small peasant holders (<i>Kleinbauerngebiet</i>) (Upper and Middle Rhine, Main, Thuringen)	4.7	35.2	47.9	12.7	4.2
Land cultivated by large peasant-holders (<i>Grossbauerngebiet</i>) (all other land west of the Elbe)	12.3	15.1	37.9	37.3	9.7
Large estates or latifundia east of the (<i>Grossgütergebiet</i>) Elbe.	10.2	9.1	21.5	29.3	40.1
Germany as at present constituted	27.3	14.3	34.4	30.7	20.6

Conditions of climate and soil, hereditary traditions, the influence of the French law of succession brought about the rise of

small peasant ownership in the South-west, where in consequence of a system of intensive cultivation the kind of farming prevalent approximates to market gardening. The territory west of the Elbe supports a numerous class of well-to-do farmers, the large holding providing the best conditions for stock breeding in view of the abundant grass land and the favourable climate of that region. To the east of the Elbe the climate is more of the continental type, and hence conditions are more suitable on the large estates for the cultivation of cereals, which began as far back as the period of the enclosures by the German *Ritter* class in the XIIth, XIIIth and XIVth centuries. At that date the *Ritter*, or gentry class, already possessed extensive estates and gave personal attention to agriculture with a view to trade. When the military domination came to an end in the XVIth century the *Ritter*, in contrast to the feudal lords of the west, became farmers on a large scale. As such they succeeded within a very short time in extending and rounding off their estates at the expense of the peasants. Wars and epidemics in the XVIIth and XVIIIth centuries contributed to depopulate these districts and the holdings thus falling vacant became the prey of the great feudal lords.

§ I. LAND SETTLEMENT IN GERMANY IN THE XVIIIth CENTURY AND THE CHANGE IN THE AGRARIAN CONDITIONS IN THE XIXth CENTURY.

Measures directly designed to protect the peasants and to introduce new settlers are found for the first time in the period of expropriation of peasant lands by the large landowners, and were actuated by considerations of population. The strong Prussian monarchy which had emerged as victor in the struggle between absolutism and the States General (the nobles) could afford to champion the cause of the peasants. Nothing else stood between the peasants and complete ruin, and, especially under Frederick William I and Frederick II, an extensive home colonization provided hundreds of thousands once more with a livelihood and a settled home. The colonies founded by Frederick II numbered 300,000 peasants. It is said that at his death one-fifth of the inhabitants of the Prussia of that date were settlers. The work of settlement and the consequent land improvements involved a severe drain on the Treasury. With a view to encouraging ap-

plications for lands, grants for cost of conveyance of land were made, exemptions from dues and from military service were given, as well as subsidies, especially when dwelling houses were put up by the settlers themselves instead of by the State. The settlers were either peasant occupying owners (*Vollbauer*) with 5 to 20 hectares, or peasants who had also to work for others in order to live (*Vorwerkkolonisten*) with holdings of one to four hectares of land. The farms were granted in emphyteusis in return for a small ground rent, and were secured by means of special provisions against mortgaging, sale or subletting.* Since, however the tendency was to make population the main object, the close bonds which link together the various parts of a true land settlement scheme were absent, and instead there were formed merely a number of holdings too small in size not providing adequate maintenance.

It will be remembered that concurrently with this Prussian colonization a scheme was also being carried out on the demesne lands of the Grand Duchy of Mecklenburg, where from 1753 onwards there were established a number of small farms on a hereditary tenure (*Bündnerstellen*) and with an average area of 4.5 hectares. There were about 4,000 of these farms in the second half of the XVIIIth century. After the year 1800 there were added still smaller farms held on the same tenure (*Häuslerstellen*), with an average area of 1.5 hectares.

The colonizing work of Frederick was followed by a long period of inactivity. The economic doctrines of Liberalism with the motto *laissez faire, laissez aller*, were not favourable to colonization, which presupposes for its success an active co-operation on the part of the State. When Liberalism was the prevailing political doctrine, the maxim that free trade would of itself bring about an equal division of the soil with corresponding general economic benefit, was strongly emphasized, and it took many years to confute this theory. When in 1886 the second great period of land settlement began in Prussia, the disastrous effects of the Liberal land reform, with its impracticable scheme of peasants' compensation and its redistribution of lands, had already been experienced. There had been no increase in the land held by the peasants, but on the contrary a decided decrease. From 1816 to 1865 a million hectares of land belonging to the peasants had been absorbed by the great estates.

In addition to this transfer of ownership a complete recasting

of social relations came about in the course of the subsequent decades as the result of the agrarian legislation of Stein and Hardenberg. If in the new legislation on land settlement, enacted after 1886, emphasis was laid not merely on the national as opposed to the Polish element, but also on the social factor in colonization, this was due to the perception of the fact that it was precisely at this point that the disastrous consequences of the land reform of the beginning of the century must be counteracted. It should be borne in mind that when the emancipation of the peasants was finally accomplished, there were no social differences left between the various classes of the agricultural population and the distinction between the peasants, the *Bündner* and the *Häusler* disappeared; and also that the abolition of the relation of master and man between the large landowner and the peasant led directly to the creation of the separate classes of the peasant holder and the manual day labourer, a phenomenon which had its juridical and administrative counterpart in the separation of the rural commune from the district in which the holding was situated.

Up to the time of the emancipation all persons lived in community, attached to the feudal estate by a strictly regulated relationship of services to be rendered. All were obliged to supply labour, draught and work animals for the cultivation of that part of the lord's land that adjoined their own; in other words the working capital and labour had to be furnished by the population of the neighbouring village. The house of the owner of the land, without any stabling or farm servants' quarters, was the typical form of this system of land tenure — a legacy from the feudal period — which consisted in a relationship of master and man not based on a wage but on a foundation of hereditary subjection or serfdom. The emancipation of the peasants broke up this labour relation between landowner and peasant, based on the personal and material dependence of the peasant class. Hereditary serfdom was abolished and in 1811 peasants who possessed draught animals, in accordance with the rights of property then prevailing, became free on condition of the surrender of one-third or one-half of their farms and their position was "regulated". But a certain number of these and also others who had no draught animals were excluded by the reactionary edict of 1816.

The large landowner was however at liberty to substitute, as suited his convenience, a new system of labour relationships for

that which had been abolished by the State and not replaced. This was brought about by the seizure of the lands of the "unregulated" class, and of the peasants who from 1807 were deprived of the protection of the former laws of the XVIIIth century. The hereditary serfdom binding these men to labour had disappeared, but in order to live they had to bring their labour to market. The former lord had become the employer; the labourer, formerly bound to work and allowed a plot of land, had been transformed into the landless day labourer. When it was proposed by the Law of 2 March 1850 to "regulate" those persons who had been declared in 1816 not amenable to "regulation", it was too late, as the greater part of their lands had already been appropriated. Up to 1850 these peasants in common with the tenants for life, became *Insten*, i. e., day labourers renting a small piece of land sometimes cultivated by the owner himself, but without the possibility of ever becoming owners of their plots.

Thus was effected the great social change by which the peasant farmers of average sized or small holdings had become farm hands. The large peasant farmers though losing most of their land had maintained their position, while the small holders who did not possess draught animals had been ruled out. The latter who were formerly members of the commune came to be merely part of the farm-holding, by this time equipped with labourers, dwellings, spacious stabling for the stock, sheds for the machines, implements, etc. The owner is now his own capitalist.

With the development of a capitalist system, and with the increase in the use of farm machinery and of intensive cultivation, the position of the *Insten* also became jeopardised. The small plots which they rent are absorbed by the farm which comes under the capitalist system; the *Insten* are no longer allowed to keep a cow, and thus gradually slip into a completely dependent position and become wage earners paid partly in kind and partly in cash. The ties that bind them to the village or farm gradually disappear. This stage marks the beginning of the exodus to the towns or industrial centres which offer more profitable occupation with more liberty of action. From 1885 to 1890 the always sparsely populated Eastern provinces lost 873,000 individuals through this exodus. Their places were taken by immigrant labourers of Polish or Galician origin whose numbers rose in the last pre-war year to 430,000.

This state of affairs which became steadily worse at last attracted public attention and called for remedy. Home colonization appeared to be the best if not the only means of checking the course of so disastrous a tendency.

§ 2. LAND SETTLEMENT FROM 1886 TO THE WAR PERIOD.

A new epoch in land settlement was established by the laws of 1886, 1890 and 1891. The fundamental idea was to introduce into the East, by creating small and medium-sized peasant holdings an agrarian system similar to that in the West. With a just estimate of the value of the psychological factors in home colonization, the primary aim was to replace the existing unsound social structure, in which there was no cohesion between the labourers and the great estates for which they worked, by a more free and more elastic system, better suited to the social ideals of a free and progressive people.

The first law, that of 26 April 1886, laid down the main lines for the organization of the colonies, with allowance for the possibility of further development. The Government Commission for Polish Colonization, which was on a sound financial basis, was the precursor of the public utility land settlement societies, which later became the mainstay of home colonization.

In the *Rentengut*, or rent-purchase holding, a new legal type of holding was instituted combining the advantages of a tenancy with those of a freehold. The whole success of the home colonization scheme is due to this institution, especially as it was followed by the introduction of the State *Rentenbanken*, or mortgage banks, which operate between colonizers and colonists.

The direct stimulus to a progressive colonization scheme came from the national danger that lay for the Eastern provinces in the great exodus of labourers. This risk was the true reason for the Law of 26 April 1886 the object of which was the encouragement of German settlement in the provinces of Western Prussia and of Posen. The Commission already mentioned was set up to give effect to this law, and was endowed for the purpose with an initial capital of 100 million marks. It was a State organization, directly under the Government, and thus its action was in no way hampered by interference from any other authority. It had an official status similar to that of the general commissions in existence since

1817 which were also made responsible for colonization by the subsequent laws of 1890 and 1891; they were however left without financial resources and simply acted as intermediary and advisory bodies, while the new Commission as an institution for home colonization took over all technical and administrative functions. It undertook not only the formation of small holdings, but also joint settlement, and village building on the large farm lands bought up for the purpose. The fund of 100 million marks soon proved insufficient for its requirements, as that sum had also to serve for internal administration in which considerable improvements were necessary. On this account the fund was increased shortly afterwards to 700 millions and was intended to assist also public utility schemes, such as the making of roads, and the building of schools and churches. It was a decided loss that no similar provisions and contributions were made by the State in the case of the later laws. The obligation which was later imposed on those responsible for land settlement, of undertaking all expenses, militated seriously against successful development.

The Law of 1886 gave an impulse to a vigorous movement on the side of the Poles which led to the very successful establishment of banks for land allotment (*Parzellierungsbanken*) and co-operative land settlement societies. After the War the Prussian Commission suspended its work, and was wound up and dissolved on 1 April 1924. Up to 1914 it had founded in the two eastern provinces 22,128 'settlers' holdings with a total area of 320,755 hectares. The majority of the holdings after the War passed into the possession of Poles.

The idea of land settlement did not however stop short at these merely national ends. By means of the enactments known as the *Rentengut* legislation of 1890-91 it was applied also to the other provinces, and the legal form of the *Rentengut*, as established in 1886, was introduced throughout the country. While the Law of 1890 put in the forefront houses for the farm labourers and the reclamation of marsh and waste land, the main object of the enactment of 1891 was the formation of small and medium-sized *Rentengüter*, as intermediate links between the large estates and the landless farm labourers. In this law the view also found expression that the establishment of a new legal type, *viz.* the *Rentengut*, was not all that was wanted for the development of land settlement. Colonizing activity was no longer to be left to the private initiative

of the large land owners, but the State took part with energetic action and financial aid.

The work of giving effect to the law was entrusted to the earlier general commissions which became Government intermediary organizations, while the *Rentenbanken* did all the necessary financing. These banks acted as, so to speak, impersonal rent collectors, and were responsible for the payment of the rents agreed upon between the parties, and in this way were intermediaries between the lessors and lessees of the *Rentengüter*. They capitalized the rent charges by means of their bond issues, with the result that the owners of estates who were in want of capital had a strong inducement to offer holdings.

In spite of all these efforts the work of land settlement did not make any marked progress. The real essential for success was a direction which kept the aim of the undertaking constantly in view and had proper command of financial resources, whereas the general commissions were not provided with capital, as were the land settlement commissions. After 1895 private companies began to establish land settlement undertakings; and out of these there arose those other public utility societies which from the immense vigour with which they worked became the veritable pillars of home colonization. The first of these bodies was founded in Pomerania in 1903, and other provinces soon followed this example. The form generally taken was that of companies with limited liability, shares being taken by the State, the provinces, districts, towns and private persons. As their basis is entirely commercial, ordinary business rules are observed in the working; and the financial and technical importance of the companies is very great, and their colonizing activities most valuable. The large measure of State participation guarantees a proper control and the public utility of the schemes.

Land may be granted under the land settlement laws of 1886 and 1890-91 in three ways:

1. on lease;
2. as freehold against cash payment;
3. in the form of *Rentengüter* in freehold against payment of a fixed rent charge.

This last method came to be adopted to the exclusion of the others. Special clauses secured that the holding was to be directly worked by the settler, declared it to be indivisible and established

State inspection. So as to make the indivisibility doubly sure and to prevent an uneconomic splitting up of the holding, the Law of 8 June 1896 established the principle that it should pass to the principal heir. To settle the claims of the co-heirs the *Rentenbank* may be called upon to convert the sums due to the co-heirs into bank credits.

The right of repurchase reserved by the law of 20 September 1899 set up another possibility of preserving the settler's holding for its proper purpose.

§ 3. HOME COLONIZATION DURING THE WAR.

The War gave a new impulse to land settlement and large numbers of persons were induced to take part in settlement schemes, and the desire for a house and a plot of land was aroused especially among members of the fighting forces. There was also the problem of the large number of wounded men, whose powers it was thought could be employed, most profitably to themselves and in the common interest, by directing them towards the lands that were open for settlement. This consideration was the object of the Prussian law of 8 May 1916 on land settlement, incorporated by the *Reich* in the Law of 3 July 1916 (*Kapitalabfindungsgesetz*) which allowed wounded men without means to capitalize their rent by paying it on account towards the price of the plot.

The Law of 8 May 1916 put at immediate disposal all the funds available for the establishment of *Rentengüter*, increasing by 100 million the intermediate credit by means of a consolidation of the laws on credit dated 12 July 1900 and 20 July 1910 respectively which had authorized the appropriation, from the reserve fund of the State *Rentenbanken*, of 25 million marks to be devoted to intermediate credits. The new 100 million were obtained by loans and were placed at the disposal of the Prussian State Bank (*See-handlung*) for later distribution.

In actual fact intermediate credit is nothing but a loan on the credit which the *Rentenbank* is to supply, the bank credit being substituted for the loan by means of bonds (*Rentenbriefe*) as soon as the land settlement is carried out. The funds supplied by intermediate credit made possible the purchase of the lands required, the commutation of any charges encumbering them, and the acceleration of building or improvements of any kind. Further

financial aid was given to the formation of *Rentengüter* by raising to nine-tenths the value of the limit of guarantee for the loans, as well as by postponing for three years the instalments of the payment to the *Rentenbank*; these measures were intended to make the purchase of land easy even for the would-be settler of very limited means.

Independently of the law, the regulations granted subsidies to indemnify losses due to a fall in the money market at the time of selling bonds, and also made contributions for the separate holdings.

A marked decline in the number of *Rentengüter* formed came about in the war years as compared with the pre-war years, as is shewn by the statistics in Table II (page 40).

Two Orders of 11 September 1914 and 7 November 1914 respectively may be noted as coming into the category of the war-time policy of the encouragement of production. The object of the first measure was to expedite the expropriation schemes, so as to find work on waste lands for prisoners of war. That of the second was the establishment of co-operative societies for the improvement of marsh lands, heaths land, etc. By 1917, 345 societies had been formed covering 133,700 hectares

If the results of the new period of land settlement from 1886 to the end of the War are considered, it cannot but be remarked that, notwithstanding certain noteworthy results, colonizing activity has not answered expectation. Out of the million hectares of land suitable for peasant holdings which were absorbed by the great estates, scarcely 600,000 hectares, divided into approximately 44,000 *Rentengüter* had been recovered, in spite of the whole weight of legislative, financial and technical ability applied to the problem. The average increase in the holdings for the years 1904 to 1914 was only 8,600 hectares. At this rate it would be a matter of years before the state of affairs in 1811 would again be reached. These figures seem still smaller, if they are compared with the increase in the lands entailed, which show each year an addition of 20,000 hectares for the period between 1904 and 1914. Hence there was annually kept back from colonization by the creation of entails very much more land than could be allotted to the settlers. The position was all the more serious, in that the splitting up of the large estates was being checked exactly where their number was particularly large. In 1914 there were 1,311 entailed estates in Prussia covering 2.5 million hectares, i. e., 7.1 per cent. of the

TABLE II. — *Rentengüter* formed in Prussia on the basis of the Law of 7 July 1891.

Year of formation	Number of estates utilized in whole or part	Area		Number of holdings formed						Estimated value		Purchase price of holdings		
		of the entire estates	of the lands divided	in all						Remainder of area offered	of the <i>Rentengüter</i>	in rent	in capital	
				under one hectare	1 to 2 1/2 hectares	2 1/2 to 5 hectares	5 to 10 hectares	10 to 25 hectares	over 25 hectares					
		hectares	hectares							hectares	marks	marks	marks	
1913.	1,066	15,420	11,398	361	208	100	165	286	81	1,201	4,070	25,201,674	728,189	7,252,342
1914.	1,115	13,414	7,151	375	96	92	116	207	45	931	6,438	18,379,184	554,376	5,472,230
1915.	594	14,654	5,906	218	122	48	65	168	34	655	8,746	14,713,365	464,519	2,660,363
1916.	543	12,954	4,319	151	41	24	55	115	27	413	8,631	10,946,407	359,127	2,638,007
1917-19	1,362	23,183	10,255	481	203	86	115	224	71	1,178	72,132	28,188,207	1,343,607	10,956,102

whole surface. It was only after the War that this obstacle to land settlement was removed through the Prussian decree of 13 May 1919 which enacted the abolition of entails.

§ 4. LAND SETTLEMENT AFTER THE WAR.

The history of agriculture makes it clear that important agrarian reforms frequently follow closely upon great wars. This fact is explained by the desire to remedy the evils caused by war by means of reform in the sphere of agriculture. Hence after the conclusion of the World War which shook to its foundations the whole economic structure of Germany, it was essential that attention should be once again directed to the natural sources of wealth. The changed conditions of production and marketing seemed to make it impossible for industry to supply either work or bread for the hundreds of thousands of ex-soldiers who from East and West were returning to their country, only to find their former occupation closed. On the other hand agriculture, which was deprived of the large supply of foreign seasonal labour, was in a position to offer work to large numbers if willing to take it. Home colonization seemed the right method of checking and reversing the current of emigration which in the past had flowed from East to West and from the country districts to the towns, and of creating a new and sound equilibrium between the urban and the rural population, a balance which had been seriously disturbed from 1871 onwards to the prejudice of the country districts. Up to 1910 the number of inhabitants of towns with a population of more than 2,000 had risen from 14.49 million to 39.10 million, while in the towns with populations of more than 100,000 inhabitants the percentage of the whole population of the German Empire had risen from 4.8 to 21.3. The percentage of the whole urban population, amounting in 1871 to 40 per cent., had reached 63.9 in 1910. On the other hand, the rural population, which in 1882 was 19.2 millions, had lost by 1907 1.5 millions, and thus had fallen to 17.7 per cent. of the population of the Empire. In some parts of the regions of the great estates in the East this decline was from 10 to 16 per cent., while west of the Elbe, where there is a predominance of small and medium-sized rural property, the population of the country districts showed an increase.

Before the War the difficulties in regard to production which

seem inseparable from a decline in the rural population were relieved by the increasing numbers of the foreign seasonal labourers, which rose in 1913 to 430,000. After the War political reasons and internal unemployment made it impossible to rely on this source of labour. On the other hand the serious conditions of the food supply in Germany did not allow of change to an extensive form of cultivation by which the number of hands required might be reduced. It was also necessary to make every endeavour to achieve independence of foreign supplies by maintaining a high degree of intensive cultivation with a view to doubling the crop yields, which was by no means impossible on either technical or economic grounds. The development of an intensive system and the increase of the gross production presuppose an increase in the labour supply available. While under the former triple rotation, 710 working days were required for each 100 hectares in the year, and with an alternating rotation of average intensity 3,800 days, the cultivation of sugar beet requires 7,280 days. By means of land settlement — an important element in any farseeing economic policy — through the establishment of workers' families with numerous children on plots of small or average size the labour required by the large peasant farmers and for the large estates can be secured.

The new legislation attaches a greater importance than was the case in the past to the establishment of average-sized and small farms, and pays special attention to the formation of rural holdings of such a size and nature as to ensure a livelihood to their owners. Many years' experience has shown that only in this way can there be kept on the district not merely the surplus population, unable at any given moment to achieve independence, but also workers for the new settlements. The farm hand in particular finds himself more at his ease, if his work brings him into close touch with the small holder and the holder of a medium-sized farm, especially when there is also the possibility of a joint ownership with these neighbours in land already obtained or obtainable.

As distinct from the agrarian reforms of the countries of Eastern Europe, the new German reforms are not radical in character. Enough experience has been drawn from previous colonizing activity to implant the conviction that the greatest caution is essential and more particularly for reasons connected with the food policy. Every care is taken to avoid splitting off integral parts from large farms or inflicting injury on any well-balanced organic

whole by violent measures of division. Stress is constantly laid on the necessity for preserving the large estates, and for maintaining that variety which is the result of the differing sizes of the farms. The idea of equalizing the size of farms receives very little support. As a rule the needs of production govern the lines followed by legislation, and this point of view is emphasized by the Decree of 19 January 1919, by which the purchase of the lands is regulated.

A. The "*Reich*" Land Settlement Law.

After the War the *Reich*, with a clear perception of the needs of the time, adopted the idea of home colonization which in the past had been left to the States and to their legislatures. The new law did not however leave the States out of count, which on the contrary had to remain as good examples of home colonization. The *Reich* law merely aims at laying the foundation for legislation and the colonizing activity of the country districts, an activity which should develop in accordance with certain general guiding principles.

The *Reich* declares land settlement to be compulsory. The first article of the law makes it obligatory for the States to establish land settlement public utility associations where such institutions are not already existent. But while the establishment of these associations is compulsory, full liberty is left to the States to define their organization, the privileges to be granted to them, etc. The law recognizes the fact that the special characteristics and the diversity of the agricultural conditions make a uniform centralized organization unsuitable. In practice the *Reich* Land Settlement Law had the immediate effect of inducing those States in which there had been so far no colonizing activity to enact special laws for the purpose. Moreover the *Reich* reserves to itself control with the right of exercising supervision over the observance of the general rules prescribed by the law which it lays down.

The Decree of the *Reich* of 19 January 1919 prepared the way for the law. The title: "Decree regarding the purchase of lands intended for agricultural settlement" is an exact description of its object. According to the intention of Prof. Max Sering, the originator of the Decree, its primary function was to transform into peasant holdings — by means of a land settlement scheme —

one-third of the cultivated land of the properties of more than 100 hectares. In this way it was proposed to establish from 200,000 to 300,000 farms for family cultivation on about 2,000,000 to 2,500,000 hectares.

The main provisions of this decree form part of the *Reich* Land Settlement Law of 11 August 1919. Important modifications are embodied in the provisions on the settlement of lands adjacent to farms (*Anliegersiedlung*), and in the extension of the powers of the States. While the Decree of 19 January 1919 emphasized the new settlements, the law laid more stress on *Anliegersiedlung* or the enlargement of small farms with the object of making them capable of providing maintenance for the family unit. The decree contains provisions on the purchase of lands for the purposes of leasing. In this way care was taken to cover in the law the three principal ways of utilizing land for settlement.

The law in the first instance regulated the purchase of the lands and the organization of the settlement. The lands themselves may be marsh land, waste land, State public lands or cultivated land forming part of the large estates. Immense areas of marsh and waste land, calculated at 3,500,000 hectares, are being expropriated throughout Germany. Except in special circumstances the expropriation authority must not give prices higher than the capitalized net return of unimproved land. The National Assembly has however deprived the scheme of part of its value by granting postponement of expropriation in cases where the owner, within a certain lapse of time, cultivates a part of his lands in accordance with proper economic conditions. It is hoped that by making use of the resources made available by modern scientific methods, it will be possible considerably to increase the area of the land under cultivation. The advance made in the technique of drainage works, a fuller knowledge of plant nutrition, and the possibility of supplying the deficiency of nutritive material by the use of artificial manures, provided the best conditions for a modern scheme of land improvement. But owing to the inadequacy of the financial resources and high prices of artificial manures little progress has been made in the cultivation of heath lands.

The post-war settlements have been carried out however almost exclusively on lands already under cultivation. The primary obligation imposed on the States by the *Reich* law is that

of submitting their own public lands for settlement, without waiting for the expiry of the leases. Such property is not to be kept back, except on a request for reservation for purposes of instruction, experimental work or other purposes of an educational or economic order. In the first three years after the War, 18,299 hectares of public lands were bought in Prussia by public utility land settlement associations, while in the same period the purchase of waste land only amounted to 5,172 hectares. The total area of public lands belonging to the States is about 400,000 hectares, of which about 295,000 hectares belong to Prussia, and about 56,000 to Mecklenburg-Schwerin.

In addition to this class of property, together with marsh and heath lands, large areas are being required from the owners of latifundia, for purposes of land settlement. Such persons are not released from the obligation to furnish lands, unless one-third of the cultivated area of the latifundia of the cultivation district (*Bezirk*) has been already assigned for the purpose, or unless the large estates of over 100 hectares do not include more than one-tenth of the cultivated farm land of the district. For the purposes of such land purchase the *Reich* law has established Land Supply Federations (*Landlieferungsverbände*). It is proposed by means of these local bodies covering as a rule one province or one district (*Kreis*) to interest the owners of latifundia in the sale of land and in home colonization generally. Not less than 24,193 hectares of land belonging to the latifundia had been made available up to the end of April 1923 for settlers as the result of expropriations alone through the agency of these federations in Eastern Germany.

The right of repurchase is definitely assigned by the law to the land settlement association, in order to prevent the frustration of the aims of land settlement by the allotment becoming the object of speculation or losing its independence (through reversion to its original owner). This right may be exercised if the settler sells or quits either the whole or part of the allotment, and if he does not live on it or work it permanently. In the event of a grant of holdings adjacent to a property (*Anliegersiedlung*), the right of purchase is extended to the entire holding including both the original and the additional land. The right of repurchase is granted also to the former owners of the lands expropriated whenever the persons who have acquired the lands for purposes of land set-

TABLE III — *Purchase of Land for Settlement in Prussia from 1919 to 1922 (1)*

Year	By land settlement undertakings of public utility there were purchased														
	Total	March lands and waste heaths		Public lands		Total	Other lands for settlement								
							Latifundia of over 100 hectares utilized for agriculture								
							Whole estates		Parts of estates		Whole estates			Parts of estates	
Hectares	Hectares	Hectares	Hectares	Number	Hectares	Number	Hectares	Number	Hectares	Number	Hectares				
1	2	3	4	5	6	7	8	9	10	11	12	13			
1919	22,544	1,517	687	20,340	27	12,036	419	4,935	55	1,671	117	1,698			
Percentage of column 2	100	6.7	3	90.2	—	53.4	—	21.9	—	7.4	—	7.5			
1920	28,918	1,347	4,117	23,453	25	10,365	1,833	9,434	77	2,441	393	1,213			
Percentage of column 2	100	4.7	14.2	81.1	—	35.8	—	32.6	—	8.4	—	4.2			
1921	40,032	2,308	13,495	24,229	44	12,533	2,496	8,838	98	1,279	381	1,579			
Percentage of column 2	100	5.8	33.7	60.5	—	31.3	—	22.1	—	3.2	—	3.9			
1922	52,958	2,005	8,267	42,686	52	26,070	2,902	13,886	36	1,185	200	1,545			
Percentage of column 2	100	3.8	15.6	80.6	—	49.2	—	26.2	—	2.2	—	2.9			
1919-1922	144,452	7,177	26,566	110,708	148	61,004	7,680	37,093	266	6,576	1,091	6,035			

(1) No exact statistics for land settlement exist except in Prussia

(1) No exact statistics for land settlement exist except in Prussia

tlement do not take them up within the space of ten years. Both kinds of right of repurchase are registered in the cadastral survey as charges on real property.

Some account has already been given of the position of the workers on the land after the emancipation of the peasants, and the consequent disastrous emigration from the country districts. It has also been noted that the main object of the Law of 1890 on *Rentengüter* was the settlement of agricultural labourers, and it was only at a later date that the settlement of peasant owners became of chief importance. The question was no longer one of "either labourer or peasant" but of "labourers and peasants", since the life shared with the different types of small peasant holder, and the chance of improving his own social standing, are both influences tending to attach the labourer to the soil and to his work. For this reason the law of the *Reich* also deals with the purchases of plots for day labourers, and in virtue of this law there is power to compel communes and large owners to facilitate the leasing of plots of land to farm labourers permanently employed on the commune or estate. The obligation ceases when 5 per cent. of the area suitable for agriculture in the commune or on the estate has been granted for the purpose. Power to enforce the fulfilment of this obligation rests with the central authorities, or with the officials appointed by these authorities, *e. g.*, in Prussia with the heads of the Agricultural Bureau. The obligation to let land is created by the fact of an application lodged by the labourer concerned.

So long as the communes still possess communal property (*Allmende*), it is easy to satisfy persons wishing to rent plots. Otherwise the communes have to try to obtain the land required by means of agreements with the owners. If necessary they can put into force the right of compulsory letting or expropriation which it is the business of the States to carry out.

B. The Organization of Land Settlement in the Reich and in the non-Prussian States.

There are two factors at work in the organization of land settlement: the governmental and the non-governmental. This distinction corresponds to the division of labour which has proved of advantage during the long period of Prussian land settlement.

The central authority in the *Reich* is the Ministry of Labour,

with powers in respect to the settlement of urban, suburban and agricultural land, and providing in itself a guarantee of uniformity in the general principles and rules of procedure. Three permanent committees preside over the three different branches of land settlement: urban settlement, rural settlement and the formation of "homesteads" (*Hermstattensiedlung*).

The individual States have also a Central Land Settlement Office; the responsibility is however not, as in the *Reich*, entrusted solely to the Minister of Labour, but to the Ministries of Agriculture, the Interior, and Labour. Subordinate to these departments there are the special executive offices, such as the Agricultural Bureau in Prussia or the Land Settlement Offices in the majority of the other States.

In Bavaria, responsibility under the Ministry of Agriculture has been given to the Bavarian Land Settlement Institute (*Baye-rische Landsiedlung*), a limited liability company, the only public utility land settlement association within the meaning of the law of the *Reich*.

Organization in two departments, an administrative and an executive, ensures that the work proceeds without interference caused by friction between the official and the commercial elements. It contains within itself however all the functions, divided — in Prussia and Saxony, for example — between the Agricultural Bureaux (*Kulturämter*) representing the State, and the Land Supply Federations (*Landlieferungsverbände*), as non-official bodies.

In the other States west of the Elbe, where land settlement is of much less importance than in the East of Germany, the organization is of the same simple character. The *Reich* Land Settlement has been shaped rather to meet the conditions and requirements prevailing in the East. This is evident in the detailed laws of Prussia, Mecklenburg-Schwerin, etc., which have to a great extent imitated the organization adopted under the *Reich* law.

C. Establishment and Functions of the Prussian Land Settlement Organization.

1. The Authorities responsible for Land Settlement.

Prussia is principally concerned in the movement, and nine-tenths of the work involved in land settlement is consequently Prussian.

After the War Prussia resumed its activity in this sphere with conspicuous zeal and introduced important reforms into the organization. Great importance attaches to the two laws of 3 June 1919 on Provincial Agricultural Bureaux, and to the regulations dated 15 December 1919 for giving effect to the *Reich* Land Settlement Law.

The first of the two laws deals exclusively with the organization of the Bureaux and their duties. The Ministry for Agriculture, Public Lands and Forests remains the supreme central authority, but only as regards rural settlement, since from 7 December 1919 urban and suburban settlement are placed under the Ministry of Public Health. Under the Ministry for Agriculture, Public Lands and Forests three land settlement authorities have been set up, graded according to administrative area, whether district (*Kreis*), province or State: namely, the Agricultural Bureau (*Kulturamt*), the Provincial Agricultural Bureau (*Landeskulturamt*), and the Higher Agricultural Bureau (*Oberlandeskulturamt*).

These three authorities have replaced the former special and general commissions and the Higher Agricultural Tribunal. The principal innovations consist in the abolition of the former cumbersome and dilatory method of working as a board and in the substitution for it of a system of greater official responsibility (*Präjektursystem*). Decisions by a board no longer take place except in the special tribunals (*Spruchkammer*) of the Provincial Agricultural Bureaux, or in cases of disputes or claims, in the corresponding higher Bureaux. Much importance attaches to the widening of the powers of the district authorities, which in the past had no power of independent action; and in consequence the Agricultural Bureaux or *Kulturämter* which in the general scheme of organization take the place of the former special commissions, are now the courts of first instance, possessing a wide measure of independence. The Chief of the Bureau deals with all questions on his personal responsibility without reference to others. In this way it is possible to simplify and to accelerate the work of land settlement.

By the Prussian regulating law the Agricultural Bureaux are constituted public utility land settlement institutions as defined in the *Reich* Land Settlement Law, but they have to limit themselves to acting as intermediaries; hence, in common with their predecessors, they have no financial powers in connection with land settlement.

Further the regulating law makes these bodies responsible for classifying and grouping all offers of settlement or of land generally, more particularly in cases of isolated settlements undertaken by private persons, of *Anliegersiedlung*, or of grants of lands on a tenancy to farm labourers. The importance of this work has increased in the last two years. In view of the insufficiency of the resources of the State and of the land settlement associations, an attempt has been made to increase the number of these undertakings, and as in 1890 and 1891 application has again been made to private persons, whose efforts, if conducted through the Agricultural Bureaux, are regarded as being of public utility, and are accorded all the consequent privileges of a fiscal, legal and financial order.

Among the powers transferred by the Law of 3 June 1919 to the offices of first instance the following should be noted :

- (1) all questions of the redemption of the charges encumbering real property, in particular the taking over by the *Rentenbank* of the fixed rent-instalments ;
- (2) planning and carrying out divisions within the communities ; redemption of easements and exchange of plots ;
- (3) formation of *Rentengüter* ;
- (4) negotiations for the purchase of waste lands and farmed lands for making new small holdings or for the improvement of those already existing ;
- (5) joint action for the formation of co-operative land improvement societies ;
- (6) joint action for the winding up of trusts ;
- (7) security for assistance to the new holdings.

The provision that confers on the Agricultural Bureaux the work of initiating and guiding the formation of the *Rentengüter* is of special importance, as the success of land settlement depends on a prompt and skilful handling of legal and technical questions in the first instance, as well as on a speedy financing by means of intermediate credit and through the *Rentenbank*. The first duty of the Chief of the Bureau, in connection with the formation of a *Rentengut*, is to satisfy himself that the plot of land is suitable for settlement, as regards its situation and character, and that the claims on the estate can be so distributed among the settlers' plots as not to make their maintenance impossible. He has to arrange for the preliminary valuation, to conduct the negotiations with the

competent authorities in respect of the legal conditions, and to discuss the general conditions with would-be settlers. In the financial sphere he arranges to grant the credit which is necessary for freeing the land from charges and claims, putting up buildings and carrying out improvements.

After the *Rentengüter* have been accurately plotted, the same official proceeds to make the detailed valuation with the help of two representatives of the district (*Kreis*), fixes the limit of the guarantee for loans, and after registering the new charges (*Rentenguts-rezess*), he applies to have the corrected entry made in the cadastral survey and at the same time for the transfer of the payments to the *Rentenbank*. Once the allotment is settled, it rests with him to arrange the assignment of the bonds issued by the bank, and the disposal of the sums paid in cash, and to regulate any credit balance, for the purpose of refunding the intermediate credit, of meeting the demands of the creditors, of paying the persons offering the land and of meeting the so-called supplementary expenses of land settlement. Among such expenses are losses on exchange at the time of sale of bonds, and the cost of making all the necessary legal and technical arrangements.

The District Agricultural Bureaux are subordinate to the Provincial Agricultural Bureaux (*Landeskulturämter*). Although the district authority is responsible for the chief and more extensive share in the work of land settlement on the official side, very important powers as regards approval and inspection rest with the chairmen of the Provincial Bureaux. Cases of special difficulty, disputes and claims, come before the higher authority. The work of the Provincial Bureau is carried out by the chairman on his own personal responsibility, and only special cases involving disciplinary measures and a few others are reserved for committee discussion. Certain other questions are left to the special tribunals (*Spruchkammer*), including appeals against decisions of the first instance, as for example decisions as to expropriation, inclusion in the Land Supply Federation (*Landeslieferungsverband*), or cases of compulsory leases. These Tribunals have been endowed with the powers of jurisdiction of the former general commissions.

In addition to these judicial committees of the Provincial Agricultural Bureaux three other land settlement organizations have been established :

(1) a Provincial Land Settlement Committee, on which are

represented all interests concerned in land settlement, and in which general questions related to the subject are discussed ;

(2) a permanent committee for joint action in the expropriation of large estates or parts of estates ;

(3) district (*Kreis* or *Bezirk*) councils for the discussion of social questions, agrarian policy, private economy and public law, especially those relating to the foundation of land settlements.

The councils are appointed by the Chambers of Agriculture.

2. Non-official Land Settlement Organizations in Prussia.

(a) *Public Utility Land Settlement Associations.* — Although the Law of 1891 gave peasant settlement the first place, there was no thought at first of forming whole settlements of *Rentengüter*. The private owners looked upon themselves as mainly responsible for individual colonization schemes. To enable these owners to establish *Rentengüter* legislation delimited the public and private rights in the question. So long as the formation of separate holdings was the sole issue it was possible to leave to the large landowner the responsibility for the settlement on the basis thus laid down with the co-operation of the general commissions and the *Rentenbanken*. But when settlement became applied to large areas of land and new rural communes were formed, the necessity for intermediary bodies equipped with large capital became obvious. Practical needs led to the establishment of these intermediary bodies in the form of public utility land settlement associations which undertook the financial side. As experience was gained these associations made rapid progress and their technical and commercial organization showed steady improvement. From the first they devoted themselves to the formation of *Rentengüter* with the assistance of the general commissions, though as time went on the commissions took less and less part in the work. In recent years certain associations established *Rentengüter* without any intervention by the general commissions or the Agricultural Bureaux.

The land settlement associations purchase lands on their own account, thus avoiding from the first the possibility of any interference on the part of the former owners. In the associations, as in the Agricultural Bureaux, it is essential to examine the lands from the point of view of suitability for the purposes of settlement and to fix the purchase price, keeping strictly in view the necessity

that the holding to be formed should be adequate for the maintenance of a family. The question being one almost exclusively of settlers' villages, the incidental expenses already mentioned must be calculated with special precision. From the date of the purchase there is a transition period of farming, lasting one or two years the object of which is to transform the latifundium system into that of a peasant holding. While the association carries on the work of the farm, preparations are made for the formation of small holdings. The tillage operations are so carried out as to make the transformation as easy as possible ; the material for the construction of the buildings is provided , improvements, road-making, etc., are put in hand. After the sale of the holding to the settler the buildings are put up and the holding is registered in the *Rentenbank*, on the basis of the rating of the loans.

The Prussian regulating law regards agricultural societies as public utility land settlement associations in the sense of the *Reich Land Settlement Law*. They are distinguished from ordinary trading companies by their system of distributing only a small proportion of the profits, while employing the rest in colonization. The recognition of their public utility secures to them the important privileges granted by the *Reich*, including the right of first refusal in the matter of purchases and repurchases, the power to propose the expropriation of waste or marsh lands, heath lands, etc. When no land already under cultivation is available, they have the power to call on the Land Supply Federations.

The organization of the land settlement associations is as a rule much the same. Controversy as to the most practical form has ended in the adoption of that of the limited liability company and in the twenty years of life of these societies this form has given good proof of its value. The determination to prefer private organization to that of a public or official type has had the result of giving the required elasticity. The co-operative form was not thought suitable for the provincial associations, as the advantage of a numerical fixed membership is lost, and also this form seems too cumbersome as regards administration and procedure. At the present time in Prussia there are 13 of these associations at work : every province has one and Hesse-Nassau has two.

All the land settlement associations, including those that are not Prussian, have their federation in the Society for the Development of Home Colonization (*Gesellschaft zur Förderung der*

inneren Kolonisation) which is responsible for the common interests. This Federation obtains all the information available on colonization, so that it is in a position to collect all the experience and to profit by it. The object of its monthly periodical, *Archiv für innere Kolonisation*, is to interest public opinion in land settlement and still further to develop its usefulness. As the leading organization the federation devotes itself mainly to influencing legislation, contributing its wide experience to the overcoming of legal difficulties and to furtherance of measures of practical utility.

In order to give the finances of the land settlement associations as firm and wide a basis as possible, share-holding was not confined to public bodies, but was thrown open to all parties interested whether individuals, associations or federations. The State, however, with its contribution of 50 per cent. of the foundation capital, remained as regards all the associations the party most interested, and was in a position to exercise control and to guarantee public sympathy. Up to the first days of 1923 the State capital thus invested amounted to 47 million marks. With the progressive depreciation of the currency increases of capital took place on all sides, but these increases like those of the intermediate credit, could not keep pace with the very rapid depreciation. All the work of land settlement was in danger of collapse for want of resources. The resources were wholly insufficient, and the *Rentenbank* bonds issued in paper marks no longer found purchasers. This complete absence of money and credit from which the land settlement associations were suffering led to the foundation of the *Roggenrentenbank* on 21 August 1922 at Berlin, which up to the date of modification of the rules of 10 January 1923 was occupied entirely in the work of home colonization.

The main object of the Bank was to meet the credit needs of colonization and agriculture, by adapting the credit to the new conditions created by the depreciation. For this purpose the credit is based on the value of rye, which is not liable to the same decline as the currency, and in this way a credit is obtained that is based on a constant value. The loans are issued in sums of the value of a certain number of quintals of rye. By the two laws of 23 June 1923 and of 14 July 1923 all the existing legal limitations were removed which hampered the realization of the new form of land credit, and in this way a solid legal basis for the operations was established. Bearer bonds of a stabilized value were issued,

as well as mortgages of a stabilized value, which made possible the registration in the cadastral survey, not only of land charges proper but also of mortgages of a stabilized value. It is well known that it was on a basis of the charges on land that the *Roggenrentenbriefe* or rye-rent-bonds were issued, which met immediately with favourable reception. Their sale opened up a new source of credit for home colonization, which made possible the continuance of activity. The sale of lands could now be effected on the basis of the *Roggenrentenbriefe* which were quoted on the exchanges. The purchase of lands for settlement is thus facilitated, as is also purchase for any purpose by private persons.

A number of co-operative societies, as well as the provincial land settlement associations, with their joint financial association, the *Neuland A G*, took part in the foundation of the *Roggenrentenbank*. The co-operative societies, by means of their own central organizations, once more devoted their activities to home colonization as they had done in the past on the occasion of the foundation of the Land Settlement Societies. In the same way the central co-operative organizations took a very active part in the formation of the *Getreiderentenbank für Landwirtschaft A. G* which granted credit for land settlement, besides other agricultural loans.

During the period of depreciation of the currency when the demand for investments of a stabilized value was very strong, it was possible, by means of the rye bonds to meet with some success the financial crisis which was affecting land settlement. After the introduction of the *Rentenbank*, fewer rye bonds could be absorbed by the market on account of the diminished possibilities of building up capital.

Before the War the land settlement associations obtained the lands they required by purchase. After the War the prevailing system was that of expropriation, put into force at their request, as the monetary conditions and the inflated land values made the ordinary sale of land impossible. For the same reason the right of pre-emption was rarely exercised. The actual expropriation is not carried out by the land settlement associations, but by the Land Supply Federations, which had been set up for the purpose. On the land thus placed at their disposal the federations establish, as before, primarily farms for peasant holders, but also, as opportunity occurred, allotments for day-labourers.

Such allotment however is more usually the business of the associations set up for the special purpose of organizing land settlement in small holdings.

The latter associations are of a local character and mainly co-operative, keeping in close touch with the provincial associations to which they subscribe capital and from which they receive financial assistance and technical advice. Their work is not limited to the formation of allotments for farm labourers and they promote land settlement for the benefit of the industrial workers of the country districts. Hence there are found among the promoters and other interested persons representatives not only of the communal organizations and of agriculture, but also of trade and industry. These associations have the immense advantage of a thorough acquaintance with local conditions, and know how to adapt their action accordingly. The minimum area of the *Rentengüter* for the workers is 12.5 ares.

To give an idea of the extent of the work accomplished by one of the larger provincial land settlement associations, the figures from the report of the East Prussian Association (Königsberg) may be reproduced here.

During the year 1922-23 61 persons were employed in the office, including the building and surveying departments, and 45 for the outdoor work on the lands.

During the year 759.32 hectares only of land were offered as compared with 3,247 hectares in the previous year, and with 4,363 in the year 1920-21; this shows that the number of offers is falling off from year to year. Nine estates or smaller properties lying on the margin of latifundia were bought, with a total of 3,918.93 hectares as compared with ten estates containing 4,319.77 hectares in 1921-22.

242 settlers were installed in the new holdings on a total area of 2,921.01 hectares.

The average number of persons settled on the land is as follows:

in the pre-war period yearly . . .	202.75	settlers.
during the War yearly	45.5	"
in the two first post-war years . . .	141	"
in 1921-22	355	"
in 1922-23	242	"

Among the settlers for whom holdings were found in 1922-23 59 per cent. were natives of East Prussia, 38 per cent. natives of other

parts of Germany; three per cent. were persons of German nationality returned from abroad.

The above association during the whole period of its colonizing work from 1906 to 1 April 1923, has bought 54,916.49 hectares of land. These were sold or otherwise disposed of as follows:

(a) in free <i>Rentengüter</i>	34,046.49	hectares
(b) to neighbouring holders with or without a rent charge	1,174.22	"
(c) for discretionary use, including forest or lake lands and residuary holdings (<i>Restgüter</i>)	9,957.37	"
(d) for roads, dykes and works of general utility	1,349.51	"
Total . . .	46,527.59	hectares

Altogether 2,683 settlers were placed on the land, this being equivalent to the establishment of over 100 villages with a total population of 15,000 persons. As regard size, the plots were allotted as under:

27 per cent. were for workers and artisans' holdings consisting of	2.5 hectares	=	735 plots
27 per cent. were for small and medium-sized peasant holdings consisting of	2.5 to 25 hectares	=	1,780 "
27 per cent. were for large peasant holdings and for residuary holdings (<i>Restgüter</i>)		=	168 "
Total . . .			2,683 plots

(b) *The Land Supply Federations (Landlieferungsverbände)*.—Mention has already of this new State recognized institution, set up by the *Reich* Land Settlement Law for the purpose of obtaining land in certain special circumstances. Only in the Eastern States, such as Prussia, Saxony, the two Mecklenburgs, where the latifundia prevail, are these Land Supply Federations founded in the sense of the law. The other States have entrusted powers of this order to offices recognized by the law, especially to public utility land settlement associations. The real aim of the legislation has not been attained,

namely the solution of the problem, as far as might be, by agreement with the holders of large estates, or *latifundia*, and the avoidance of expropriations. It was not possible to induce the different elements in the federations to work for a voluntary surrender, carried out under their direction of the lands required. In the majority of cases the federations had to proceed to expropriations so as to satisfy the requirements of the land settlement associations.

By the Law of 15 December 1919 Prussia instituted the *Landlieferungsverbände* as recognized corporate bodies, with special regulations as to powers and methods of expropriation.

They are distinguished into provincial and district (*Bezirk*) federations. Provincial unions were established in the provinces of Eastern Germany, where considerably more than 10 per cent. of the land is occupied by *latifundia*, as in Eastern Prussia, 38.4 per cent. of estates of over 100 hectares, in Brandenburg (35.5 per cent.), in Pomerania (53.2 per cent.), in Silesia (37 per cent.), in Saxony (27.2 per cent.) and in Schleswig-Holstein (15.7 per cent.). In the West, on the other hand, where in no province does the *latifundium* exceed the limits of the law, the only members of Land Supply Federations are the large farms of those districts (*Bezirke*) which conform to the conditions laid down by the law. In the East, owing to the prevalence of the great estates the membership of the federations is very large. According to the latest statistics there are in East Prussia about 3,296, in Pomerania 2,678 and in Silesia 2,875 estates with an area under cultivation of more than 100 hectares, which in consequence come under the Land Supply Federations.

The owners of these estates are as such members of the federations. When the area under cultivation falls below 100 hectares or the estate changes hands, membership automatically lapses. State lands do not belong to the federations, as under the law the offer of these lands for settlement purposes is made compulsory, and is a matter for arrangement by the State and not by the federations.

The principal organ of the *Landlieferungsverband* is the general assembly which consists not of the individual members, but of the delegates of the district (*Kreis*), elected by the members for the district. Each member has one vote for every 200 hectares or fraction of that number, with five votes as a maximum. The first assembly draws up the rules and elects the chairman and the committee of the federation. Subsequently the assembly proceeds in the usual course to the elections, the approval of the estimates and statement of accounts,

amendments of the rules, fixing of contributions and the formation of reserves. The assembly must meet at least once a year, but a meeting may be summoned if one-third of the delegates so desire and state their reasons in writing to the chairman.

The chairman or one or more persons appointed by him represent the federation both for legal and other purposes, and any such work is purely honorary. A committee of several persons carries out the general administration; in cases of special importance its approval is necessary to the action taken by the chairman. Supreme control of internal administration rests with the president of the province, who has in consequence the right to be present at all meetings and discussions of the federation.

The necessary financial resources are supplied by contributions accurately graded on the basis of the varying extent of the available agricultural land. The general expenses of the federation, being of a communal character, fall upon the lands. The contributors may appeal to the chairman of the federation against the assessment of these expenses and also in the second and third instance to the special Tribunals (*Spruchkammer*) at the Provincial and Higher Agricultural Bureaux.

In order that the Land Supply Federation may fulfil its function of obtaining land, it is essential that it should have certain special rights, such rights to be mainly exercised in the absence of good will on the part of the persons associated for the purpose of offering land. Before the War the supply of land depended — apart from the law on expropriation in Posen and West Prussia which was never put into force — on free purchase on the land market, and it became more and more difficult to obtain land at a reasonable price. The difficulty was bound to become even more marked when during and after the War land values kept constantly increasing, so that free purchase became almost impossible. Apart from the special privileges, and more especially the right of expropriation which was conferred upon the federation, it would have been a practical impossibility after the War to carry through any really effective scheme of land settlement.

It is incumbent on the federations to exercise these privileges, whether the right of preemption in cases of voluntary sales, or the right of expropriation, whenever an application is received from the public utility land settlement associations. Should the federation not desire to exercise the right of preemption, it may transfer this

right to the land settlement associations which have made the application. Expropriations on the other hand, such as relate to marsh-lands or heath-lands, are carried out by the Land Settlement authority, that is by the Provincial Agricultural Bureau, to which the federation may have referred the applications for expropriation. The Standing Committee of this Bureau, consisting of the chairman, the two representatives of the Land Supply Federation (in accordance with the Law of 7 July 1923) and the two representatives of the public utility land settlement association discuss the question of expropriation. A meeting of the Committee is usually held after the beginning of the year to ascertain the land requirements for the year, and to come to agreement as to the purchases that should be made for the purposes of the Land Supply Federations. As according to the scheme of Prof. Sering there should be available within the space of one generation about 2,500,000 hectares of latifundia, about 80,000 hectares for 9 to 10 thousand plots will have to be found annually.

The lands which the Land Supply Federations obtain for the public utility associations must be taken by them at the purchase price. As soon as this price is paid, the public utility associations succeed to the duties and privileges of the Federations. During the period of the depreciation of the currency difficulties arose chiefly in connection with the question of compensation. The solution of this problem, apart from the question of the method of expropriation, has been reserved for a special form of procedure, according to which the Standing Committee fixes the indemnities. The person whose land is expropriated has power to appeal against the resolutions of this Committee to the Special Tribunal (*Spruchkammer*) of the Provincial Agricultural Bureau, and against the verdict given there, to the Tribunal of the Higher Bureau, which gives a definitive ruling as to the indemnity. During the period the depreciation of the currency there was naturally a very large number of these appeals, as it was impossible to give the "fair" prices as guaranteed by the Land Settlement Law. Even though the price to be paid to the owner of the land to be expropriated might on the basis of its ordinary or commercial value be said to be "fair" on the day it was fixed, before the day of payment, which might be several months later, a very serious decline in the value of the price had taken place.

It was the *Roggenrentenbank* which showed a way for the continuance of land settlement activity. Legislation on the lines so in-

dictated followed, the so-called Refugees Settlement Law of 7 June 1923 removing the obstacles of Article 15 of the Land Settlement Law which only recognizes indemnities in the form of capital, thus protecting the owner of expropriated land against the unprecedented depreciation. By this new law a recoverable payment in kind or the delivery of bonds guaranteed by charges on land were regarded as "fair compensation" in expropriations.

With the stoppage of all dealings in land and with less discrepancy between expropriation and market prices, it became difficult to fix the rate of expropriation, until the greater stability of the currency restored the purchase and sale of land to more natural conditions. If this stability lasts and land is more freely offered, the problems of expropriation and compensation payments will be satisfactorily solved.

The Land Supply Federation is to proceed to expropriations only after careful consideration. According to the law of the *Reich* estates are not to be purchased which from the economic or social point of view are model estates or are of importance in the development of agriculture, for example those *latifundia* on which settlement is carried out on model lines or on which excellent labour conditions prevail or which are famed for their seed production. In the first place the following will be colonized :

1. the estates owned by the non-farming class purchased during the War ;
2. the estates the ownership of which has been frequently changed during the last twenty years ;
3. poorly cultivated estates ;
4. estates where owners do not give their personal attention to farming, and are absent for a greater part of the year ;
5. very large estates or *latifundia* ;
6. those parts of large estates which were in the past farmholdings of independent peasants and have been bought up in the last thirty years.

According to a statistical return of the Ministry of Agriculture, Public Lands and Forests, among the 34 estates comprising 24,193 hectares in all, which were expropriated by the Land Supply Federations, 13 were expropriated as poorly cultivated, 7 as having frequently changed ownership and 5 as not worked by the owner.

By the Refugees Land Settlement Law of 7 June 1923 a further demand was made on the Land Supply Federations for 1923, as they

were required to find 40,000 hectares of latifundia land before the end of the year, in order to instal immediately the settlers who had been driven out of Poland and were sheltering in the refugee camps. For this purpose the federations are to provide, as far as possible, complete estates with a forest area also available. To avoid delay, appeals are not to be admitted; the Standing Committee at the Provincial Agricultural Bureau has the final right to decide as to the admissibility or otherwise of the expropriations. The inclusion of the forest land is required in order to ensure the supply on the spot of the wood necessary for building farm-houses. When settlement in accordance with the Prussian regulations for giving effect to the Refugees Settlement Law has been completed, the larger forest areas are to be offered for purchase by the land settlement associations to the State.

Of the 40,000 hectares, the following quotas are to be supplied :

	Hectares
by the Land Supply Federation of Prussia . . .	34,500
" " " Saxony	1,000
" " " Mecklenburg Stre-	
litz	500
" " " Mecklenburg	
Schwerin	3,400
" " " Brunswick . . .	200
" " " Anhalt	400
Total	40,000

The quotas of the Land Supply Federations of the various provinces of Prussia are thus distributed : the Federations of East Prussia, 7,200 hectares ; of Pomerania, 7,900 ; of Brandenburg, 6,200 ; of the Mark, 1000 ; of Lower Silesia, 5,000 ; of Upper Silesia, 1,600 ; of the province of Saxony, 3,400 ; of Schleswig-Holstein, 1,700 ; of Hanover, 400 and of Hesse-Nassau, 100 hectares.

D. The New Settlement and the Small Farm Enlargement Scheme ("Anliegersiedlung").

It has been already stated that the National Assembly in its settlement law entrusted the public utility land settlement associations not only with new settlement work but also with *Anliegersiedlung*. Experience has shown that Prof. Sering was in the right, and

the facts have justified his fears of the possibility of the true purpose of the settlement being endangered by this procedure; since during the last few years much more of the land has been granted to the peasants of the neighbourhood than to actual new settlers. In all Germany in the years 1919-1921 not more than 6,359 new settlers have been established on 53,280 hectares, while 75,482 hectares have been assigned to 84,552 neighbouring occupying owners.

The truth is that the heavy demand for land for purposes of *Anliegersiedlung* is explained by the great shortage of money and by the serious difficulties of constructing the buildings necessary for the new allotments.

A distinction should be drawn between individual and collective forms of land settlement. In the collective forms three different systems are followed: that of the large farm (*Hofsystem*), that of the village (*Dorfsystem*) and the intermediate type (*Zwischensystem*).

The Provincial Land Settlement Associations prefer the village form of settlement on large estates of not less than 500 hectares. The system presents conspicuous practical advantages, since as the former farm-house centre remains, an orderly change from a single farming system to a number of farms can be effected. Thus the buildings may still be utilized and the loss of capital thus invested is reduced by allowing to remain attached to the buildings a larger allotment of land.

Settlement on detached portions of large estates, or on the narrow margins of different estates are less in favour, since by reason of their distance from the main centre of the farm these portions are generally under extensive cultivation, and require a larger equipment if they are to serve as the basis of self-sufficing allotments. It is important, notwithstanding, for the holders of large estates and for the national food economy, to detach lands for settlement from the borders of unduly large estates, for the purpose of establishing on such border lands with their neglected cultivation small and medium-sized holdings to be worked intensively, and at the same time allowing the large estate whose area has been reduced to employ a more intensive general form of working.

The object of the new form of settlement of the village type is the creation of new vigorous communities prepared to give the individual settler real support and protection against any designs of further aggrandizing the large estates, as well as against the ordinary possibilities of misfortune. Where the lands available do not allow new communities to be established, new allotments are always at-

tached to a neighbouring rural commune. This maxim is invariably followed by the public utility land settlement associations, while where the settlement is carried out by the large owners themselves, the right of approval belonging to the authority is always present to prevent any unsatisfactory forms of settlement.

The object of the Prussian law of 1 March 1923 on the approval of settlements, enacted in pursuance of Article 1 of the *Reich* law, is primarily to create new allotments. For this purpose the Provincial Agricultural Bureaux will deal promptly with the question of approvals, and at the same time see to the provision of funds, while undertaking on account of the State a great part of the expenditure arising in connection with the establishment of the normal public services. In this way the land settlement associations may be relieved of as much as half of these burdens.

With a view to weakening the opposition to the new settlements on the part of the labourers and the trades unions in which they are enrolled, the Refugees Settlement Law of 7 June 1923 supplementing the law of the *Reich* enacted that in the case of settlement of estates and public lands, the labourers working on either type of land were to be, as far as possible, provided with allotments. When this is out of the question they are at least to be left for the time being in their own dwellings, and unemployed persons may claim a subsidy for six months.

The most difficult part of the work in the last few years proved to be the construction of the buildings for which heavy State contributions were constantly being requested. It was mainly due to these contributions that the work of land settlement could be carried on, until the rapid depreciation in the currency made all subsidies in paper marks entirely valueless. The requirements as to the measurements and solidity of buildings have been considerably relaxed as compared with the past. To reduce building costs houses of wood and rammed earth were put up. The granary with living accommodation has been widely adopted and finds favour, as it proves to be inexpensive and satisfactory as a temporary home. The settlers may consult the experts of the Agricultural Bureaux on all questions relating to housing. These officials draft or examine plans and estimates and supervise the execution of the work.

The small farm enlargement schemes (*Anliegersiedlungen*) are by far the most adaptable in view of the many difficulties that have to be met in new settlements. In these cases there is practically

no question of a survey, buildings or finance, as their purpose is simply to enlarge very small farm holdings so as to make them adequate to the maintenance of the cultivators. The term *Anliegersiedlung* expresses the idea and the object of the institution, which is to assist the people dwelling in the neighbourhood of the large estates. The *Anliegersiedlung* is intended definitely to promote the increase in the small and medium-sized holdings, an increase which was due in the first instance to natural causes, as is shown by the statistical returns of 1882, 1895 and 1907. The statistics prove that the large farms of more than 20 hectares and the great estates of more than 100 hectares show a continuous decline.

From 1895 to 1907 the number of large farms in Germany fell from 281,767 to 262,191 and that of the large estates or latifundia from 25,061 to 23,566 with a reduction in area in the case of the former from 9,869,837 hectares to 9,322,103, and in the latter from 7,831,801 to 7,055,018 hectares. A reduction in the total area together with an increase in the number is to be noted even in the case of the small holdings formed of scattered parcels of land (*Parzellenbetriebe*). The number of the actual farms rose from 3,236,367 to 3,378,509, while the total area diminished from 1,808,444 hectares to 1,731,311.

In the six provinces of the East of Germany the following were the variations in the number of the separate classes of holdings:

Increase or Decrease in the Number of Holdings.

	2 to 5 hectares	5 to 20 hectares	20 to 100 hectares	100 to 200 hectares	over 200 hectares
East Prussia	+ 1,859	+ 6,357	— 893	— 135	— 87
West Prussia	+ 2,189	+ 8,136	— 475	— 317	— 178
Brandenburg	— 180	+ 3,225	— 849	— 116	— 75
Pomerania	— 2,241	+ 6,779	— 607	— 115	— 90
Posen	+ 2,210	+ 9,940	+ 100	— 300	— 212
Silesia	— 4,825	+ 4,336	— 2,419	+ 24	— 59

The figures including those which were in no way affected by the measures taken for the promotion of land settlement make it clear that everywhere the owners of small parcels of land tend to acquire an independent position, naturally with somewhat varying consequences according to the quality of the soil, the climate, racial charac-

Increase or Decrease of the Area.

	2 to 5 hectares	5 to 20 hectares	20 to 100 hectares	100 to 200 hectares	over 200 hectares
East Prussia	+ 9,996	+ 57,753	— 32,591	— 77 207	— 71,447
West Prussia	+ 8,936	+ 97,505	— 10,290	— 132,780	— 114,293
Brandenburg	+ 2,243	+ 34,148	+ 6,589	— 72,070	— 65,733
Pomerania	— 5,919	+ 74,838	+ 406	— 103,626	— 112,532
Posen	+ 8,659	+ 127,838	+ 12,010	— 188,426	— 177,279
Silesia	— 5,683	+ 43,355	— 33,781	— 46,023	— 60,480

teristics, and the nature of the laws of inheritance. The *Anliegersiedlung* is intended to bring about the independence of these small holdings as far as is desirable, while not losing sight of any of these differences and special conditions, nor of the need for a well considered national food policy.

The settlement of land adjacent to a farm is no novelty but was already in vogue before the War. Except in Silesia, however, where it was applied in its pure form, it has been almost exclusively practiced in conjunction with new settlement, and the transformation of enlarged small holdings into purchasable *Rentengüter* (*Zukaufs-Rentengüter*) was by no means uncommon. The formation of holdings of this type, however, depended on the free choice of the persons concerned. At the present time the new Land Settlement Laws allow considerable initiative to the individuals in the neighbourhood of the farms so that upon their request settlement can be carried out even against the wishes of the owners. Naturally the possession of a power of this kind acts as a stimulus to the well-known land hunger of the small holders, many of whom expressed a more or less reasonable desire to enlarge their holdings. It was, however, clearly an impossibility to enlarge them all up to the point of making them capable of providing a complete maintenance. Such conditions could only arise when there existed side by side an estate of considerable size and a large number of small holdings. It was in the West however, where there is no great number of large estates, that the requests for the enlargement of small holdings were most numerous. The whole movement, as might be expected, was used for party ends, and it was by no means easy for those responsible

for land settlement schemes to continue the work while at the same time preserving its former sound traditions and retaining a just recognition of its general aim. They had in fact alike to recognize the dangers which threatened production, and the labour requirements of the large estate, while maintaining as an intermediate link in the social chain a sufficient number of small owners. Every law and every regulation of the States voices the conviction that it is essential to carry out this settlement of adjacent land with the utmost care and foresight.

Regulation No. 4 of the Prussian Ministry of Agriculture, Public Lands and Forests prescribes the exercise of special care in the interest of the national food supply to avoid in the distribution of lands an uneconomical splitting up of the large estates, or the weakening of their economic capacity either by the fact of unduly extensive grants of land or by the manner in which such grants are made. In selecting the settlers it is essential to give preference to those whose working capacity cannot, in consequence of the prevailing depression in industry, find full scope on their own tiny holdings.

The law should not be literally interpreted in the sense that it is necessary as a general principle to enlarge all the existing small holdings. Before considering applications, it should be ascertained whether the normal working of the holding as enlarged is properly secured and whether the farm buildings, the equipment and the available labour are all adequate. Should these be for the time being inadequate, the assurance that the additional equipment required by the enlargement will be provided suffices.

The maximum extent of the enlarged holding is fixed by the view taken as to the amount of produce necessary to secure the maintenance of the cultivator, on the assumption that his own work and that of his family without other help are sufficient in ordinary circumstances for the work of the holding and the complete maintenance of the family. Naturally the size varies according to climate and soil conditions.

It is the business of the Agricultural Bureaux to put the *Anliegersiedlung* into effect. The Chief of the Bureau, on receiving the applications, requires of the communal authorities all details as to the character and economic position of the would-be settlers and invites the authorities to collect other applications so that it may be possible to regulate procedure on a uniform basis for the whole commune. Subsequently he conducts a thorough enquiry on the

spot, and opens negotiations with the parties concerned. On request and with the consent of the president of the Provincial Agricultural Bureau the Chief can give the work to a provincial land settlement association, to a communal co-operative society, or, in Silesia, to a district co-operative society.

In this form of settlement, as in the new settlements, waste and marsh lands and public lands are utilized. As a rule a preference is given to large estates, some parts of which are under expropriation at the request of the Land Supply Federations. The Standing Committee of the Provincial Agricultural Bureaux decides on the question of the legality and economic value of the proposal, while any appeals against these decisions are heard by the Ministry of Agriculture, Public Lands and Forests, whose decision is final. Compensation for the expropriations is settled by the Standing Committee. Appeal to the Special Tribunals (*Spruchkammer*) is allowed, and in the last instance to the higher authorities for agriculture.

The following are the forms of transfer of these lands as prescribed by the regulations giving effect to the law: purchase, renting with right to purchase, and provisional renting: there are further recognized the *Rentengut* and the institution known as the *Heimstätte*, or homesteads. In the present case the homesteads would be in the form of *Wirtschafts-Heimstätte*, the purpose of which is to establish farm-holdings on which the settler can maintain himself either by growing field crops or by vegetable growing, while on the other hand the *Wohn-Heimstätte*, whether urban or rural, are intended to place within the reach of separate families healthy dwellings with from 200 to 1200 square metres of garden attached to be worked in leisure time. Up to the present it has not proved possible to establish the *Wirtschafts-Heimstätte* definitely as a factor in land settlement. Taking rural conditions into account, this form of tenure limits too closely the powers of selling the small farms and of raising money on such security. It rests finally with the Chief of the Agricultural Bureau to decide which of the different legal forms should be applied in the case of *Anliegersiedlungen*.

With the object of checking speculation on the added land and of preserving the economic unity of farms that have been enlarged, such farms are subject to certain limitations as to powers of sale, including a right of repurchase, which may be exercised whenever the owner wishes to sell the whole or a part of the holding and also if he does not cultivate it in person. The power to repurchase is, as a

TABLE V. — The "Anliegersiedlung" (Small Farms Enlargement Scheme) in Prussia.

Year	Lands furnished by the Public Utility Land Settlement Associations																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
	to persons whose previous holdings were in hectares										following occupations as under																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
	less than 1					1 to 2.5					2.5 to 3					3 to 10					more than 10																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
	No.		Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.	Hect.		No.		

TABLE VI. — *The Legal Forms under which Lands have been granted for "Anhegersiedlung" in Prussia.*

Year	Total		Granted					
			in ownership		on a lease			
					with		without	
	right of purchase							
Number	Hect	Number	Hect	Number	Hect	Number	Hect	
I	2	3	4	5	6	7	8	9
1919	12,506	10,741	4,645	4,475	1,277	1,343	6,584	4,923
Percentage of columns 2 & 3	100	100	37.1	41.7	10.2	12.5	52.6	45.8
1920	18,964	20,243	7,117	8,796	4,288	5,437	7,559	6,011
Percentage of columns 2 & 3	100	100	37.5	43.5	22.6	26.9	39.9	29.7
1921	23,197	22,491	7,139	9,359	3,866	4,347	12,192	8,785
Percentage of columns 2 & 3	100	100	30.8	41.6	16.7	19.3	52.6	39.1
1922	19,544	20,624	5,731	5,745	4,760	5,866	4,053	9,014
Percentage of columns 2 & 3	100	100	29.3	27.9	24.4	28.4	46.3	43.7
1919-22	74,211	74,099	23,631	28,375	14,191	16,993	35,388	28,732

rule, vested in the public utility land settlement associations. Even after the establishment of the new farms or of those that have undergone enlargement, supervision is still exercised, the Agricultural Bureaux keeping a close and continuous watch on their development which they endeavour to encourage by advice and assistance.

The most recent legislation on home colonization in Germany makes it clear that notwithstanding certain more radical tendencies of the post-war period, the earlier principles directing land settlement and agriculture have been affirmed. The policy of home colonization has been pursued methodically and on practical lines, and nothing has been allowed to modify its purpose, which consists, not in a blind splitting up of the large estates, nor in the creation of farm holdings of some ideal size and type, but in the establishment of the best possible proportion between the various classes of co-existent properties. Notwithstanding all the legislative measures which guarantee the possibility of finding the lands required for settlement, there have been no actual systematic attempts to destroy the striking diversity existing in agricultural conditions in Germany, and there is a general evid-

ence of a desire and tendency to secure an organic and steady development of home colonization. It is all important to maintain the balance between social needs and the material necessity for an increase both in the population and in the food supply.

The constantly recurring and much debated question of maximum productivity in its bearing on the establishment of small and average-sized farms is not over-stressed, it being realized that purely economic considerations ought not to prevail to the exclusion of higher considerations which, while having due regard to economic requirements, do not make the maximum of production their sole criterion.

F. J. ROHR.

THE ALLOTMENT MOVEMENT IN SCOTLAND DURING THE WAR (1)

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REPORT TO THE BOARD OF AGRICULTURE FOR SCOTLAND ON HOME INDUSTRIES IN THE HIGHLANDS AND ISLANDS Edinburgh, 1914
REPORT BY THE SCOTTISH DEPARTMENTAL COMMITTEE ON FOOD PRODUCTION Edinburgh, 1915
REPORT OF THE DEPARTMENTAL COMMITTEE ON ALLOTMENTS IN GREAT BRITAIN London, 1922

ALTHOUGH in all essential respects the allotment movement in Scotland may be considered as one with the movement in England and Wales, it is, nevertheless, a self-contained movement. Social conditions as well as the land system in Scotland differ in cer-

(1) See the article on "The Cultivation of Allotments in England and Wales during the War" in the *International Review of Agricultural Economics* of April-June 1923, page 162

tain features from those in England and Wales, and allotment legislation, before being applied to Scotland, is revised to suit Scotch conditions. Progress has been slower in Scotland, and, even relatively, the Scottish movement is still on a smaller scale than the movement in England and Wales.

Although the allotment movement had begun to take shape about the middle of last century it was not until 1892 that legislation concerning allotments was enacted. In that year the Allotments (Scotland) Act, 1892, was passed, but, except for certain amendments made by the Local Government (Scotland) Act, 1894, no further legislation was enacted until the War.

The Allotments (Scotland) Act, 1892, set up local authorities in Scotland to act as allotments authorities and laid upon them the duty of providing land for allotments. The Act provided that, where a local authority was satisfied that there was a demand for allotments from the labouring population of its area and that the demand could not be met by voluntary arrangement between them and the owners of land, the local authority might buy or lease any suitable land available and let it out as allotments. Only labourers were entitled to apply for plots and the size was limited to one acre. No dwelling house could be erected on an allotment although a stable, barn, byre, tool-house, or shed was allowed. The Local Government (Scotland) Act, 1894, gave to parish councils the power to lease land, up to a limit of 20 acres, for allotments or for common pasture. If the land were taken on lease by agreement the area of an allotment was not limited, but if the land were taken compulsorily a limit was fixed at four acres of pasture, or one acre of arable and three acres of pasture, or an area not exceeding £4 in annual value (1).

The Allotments Act was based upon the presumption that the holder of an allotment earned his living apart from his plot and its object was to enable working-men to supplement their earnings and add to their comfort by cultivating small patches of ground. But the allotment legislation had little effect before the War. The Scottish Land Court in its Report for the year 1916 goes so far as to state that "the Acts intended to provide allotments have absolutely failed of their purpose because of the expensive proced-

(1) Grazing allotments, or common pasture, are not provided in England and Wales,

ure and the want of workable compulsory powers." It is true that allotment legislation needed both revising and adding to, but local authorities had for the most part done little to encourage a demand for allotments and had not made the fullest use of the powers which they did possess.

Besides the public provision of allotments land was provided by private means. As in England and Wales the number of allotments provided by private landholders was larger than that provided by local authorities.

Accurate statistics are lacking as to the number and acreage of allotments in Scotland before the War, but returns from all the town councils and about 60 parish councils show that 1,685 allotments, amounting to 249 acres, were under cultivation in those areas during 1914. The total number and acreage of allotments in the whole country was probably considerably in excess of these figures.

In the northern and north-western section (1) of the country efforts to improve the conditions under which the people lived had been made which must be mentioned in connection with the allotment movement. Agricultural and climatic conditions are more severe in this area than in other parts of Scotland and the population consists chiefly of small holders, cottagers and fishermen. In 1897 the Congested Districts Board was set up with the object of bettering conditions. Besides providing extra land for small cultivators, aiding in the creation of fishermen's dwellings, and aiding migration to other parts of the country, the Board encouraged poultry-keeping and bee-keeping and tried to stimulate more efficient cultivation by giving demonstrations of the methods of potato-spraying and by similar means. Considerable efforts were made to encourage vegetable gardening in the Islands and with the help of the Scottish Education Department school gardening was encouraged and seeds and plants supplied to schools free of charge.

The Congested Districts Board came to an end in 1912 but the Board of Agriculture, formed the same year, took over and continued its work.

(1) Comprising the counties of Argyll, Inverness, Ross and Cromarty, Sutherland, and Caithness, and the Islands of the Hebrides, the Orkneys, and the Shetlands.

§ I. THE WAR PERIOD.

In spite of the activity throughout the War regarding the production of food by gardeners and allotment holders it was not until the beginning of 1917 that the provision of land for allotments was undertaken in a systematic manner. The activities in connection with allotments, therefore, fall into two divisions. One includes the miscellaneous activities carried on by allotment holders, private landowners and local authorities, with the assistance of the Board of Agriculture and the Agricultural Colleges, and the other the activities resulting from the employment of the emergency powers granted to the Board of Agriculture under the Defence of the Realm Regulations. The former centres round the Board of Agriculture, the latter around the local authorities.

The Board of Agriculture. — The work of the Board of Agriculture consisted in urging allotment holders and gardeners to crop their land as intensively as possible, in urging local authorities and others to bring all available plots of land under cultivation, and in assisting cultivators by providing for their needs. The three Scottish Agricultural Colleges did much to make this work successful. The Colleges worked in close collaboration with the Board, furnishing advice on many subjects and frequently superintending the carrying out of the Board's plans.

In the first month of the War the Board of Agriculture issued a notice appealing to all owners of land and farmers who had control of vacant spaces in or around towns and villages or other suitable land to make such land available for gardening purposes. Allotment holders and gardeners were recommended to practice intensive cropping. A leaflet on the cultivation of gardens was issued at the same time and copies of both notice and leaflet were sent to parish councils throughout the country. The Board obtained from a number of nurserymen statements as to the quantities of surplus vegetable plants and seeds which they had for sale, and the prices. This information was sent to people who made enquiries on the matter.

In 1917 the Board issued a leaflet impressing upon allotment holders the importance of combining their orders for fertilizers, seeds and other requisites, and urging them to place their orders as early in the season as possible. This leaflet was sent to various

town and parish councils and allotments associations. A further leaflet on the cultivation of gardens and allotments was also prepared and circulated together with information as to the price of fertilizers.

In June 1915 the Board of Agriculture appointed a Departmental Committee to inquire into the question of maintaining or increasing the production of food in Scotland. Among other things, the Committee recommended that more allotments should be provided, especially in the neighbourhood of towns and villages, to enable cottagers to grow vegetables for their own use. The Committee urged that all vacant spaces and unused building lands should be temporarily let to persons who were willing to cultivate them, and further recommended that the keeping of pigs and poultry should be encouraged, especially where these could be kept by allotment holders or gardeners.

The Board's poultry improvement scheme, which in 1913 had been extended to the whole of Scotland, was developed during the War. From the egg-distributing stations set up all over the country sittings of eggs of pure breeds of poultry continued to be distributed at a low price to cottagers and small cultivators. In consequence of the recommendations of the Scottish Departmental Committee further encouragement was given, the Board supplying a number of incubators and paying part of their cost. In the early months of 1917, 99 incubators were supplied, the Board paying up to a limit of £3 per incubator. About 14,000 chicks were hatched in these incubators during the season.

In certain parts of the country, especially in rural districts, bye-laws relating to the keeping of pigs were relaxed to enable cottagers to keep pigs. Financial assistance was given by the Board of Agriculture to enable approved persons to purchase breeding-sows.

The bee-keeping schemes undertaken by the Board were continued. In 1917, in consequence of a widespread destruction of bees in Scotland through Isle of Wight Disease, a scheme was drawn up by the Glasgow and West of Scotland Agricultural College for re-stocking certain areas with strains of bees immune or partially immune against the disease." The other two colleges took up the scheme. The Board of Agriculture made considerable money grants to each college to meet the expenses of this work.

In spite of the scarcity of fertilizers the Board of Agricul-

ture with the help of instructors from the Agricultural Colleges did much to encourage potato growing by allotment holders and small cultivators. Potato-spraying demonstrations were given and plots inspected. Upon a request from allotment holders and small growers in 1917 for potato-spraying machines the Board supplied 83 machines and the necessary material. The Board made arrangements with manufacturing firms in 1918 for spraying machines and material to be supplied direct to customers; delivery of the machines was in some cases delayed, however, owing to the shortage of brass and copper.

In the spring of 1917 the Board of Agriculture arranged for seed potatoes to be supplied to allotment holders, for many allotment holders had but recently taken their plots and were not familiar with the method of obtaining supplies. The supply of seed, moreover, was very limited and the demand was great. Orders for seed were received by the Board of Agriculture and forwarded to individual merchants or to the Committee of Scottish Potato Merchants which had been set up. The abundance of the 1917 crop made the continuation of the scheme unnecessary for the 1918 planting, but the Board decided to prepare lists of the names of potato merchants to whom application for seed could be made. If allotments associations then failed to secure supplies the Board would make direct application on their behalf to the merchants.

In June 1917 the Board of Agriculture in conjunction with the Ministry of Munitions commenced a scheme for the distribution of glass jars for preserving fruit and vegetables. Jars were supplied to Women's War Work Associations, District Agricultural Committees, and other organizations, who undertook the collection of orders and the distribution of the jars. The scheme proved very popular. In spite of difficulties in making the jars manufacturers had delivered 126,000 before 31 August, and 6,000 more of a special kind were forthcoming later. To secure an adequate supply of jars in 1918 the Board of Agriculture made arrangements with manufacturing firms for the output to be increased and the jars to be supplied direct to local retailers at agreed prices. Arrangements were also made for fruit canners to be supplied to fruit and vegetable growers. A leaflet was issued by the Food Production Department, London, explaining the use of the canner, and a skilled instructor gave demonstrations in canning to members of the Agricultural Colleges, Women's Institutes, and the Edinburgh School

of Cookery. The Board also supplied a canner to the Edinburgh and Glasgow Agricultural Colleges to be used for demonstration purposes in suitable centres.

The Scottish Women's Rural Institutes, although they had only begun to be formed in 1917, took an active part in encouraging the production and conservation of food. These Institutes are local societies of women formed with the object of bettering rural life, and they serve as centres for women to meet to discuss mutual problems and decide on common action. The Institutes arranged for lectures on gardening, poultry-keeping, food conservation, and similar subjects, and obtained information from the Board of Agriculture and the Agricultural Colleges on behalf of their members. During the summer of 1918 many Institutes organized exhibitions of fruit and vegetables and thus roused local interest in production and conservation. Two trading societies were set up by the Institutes for the collection and conservation of fruit and the co-operative purchase of seeds and plants. The work of the Women's Institutes was directly encouraged by the Board of Agriculture, and if Institutes so wished officials of the Board were sent to inspect and advise as to their work. On 31 October 1918, at the close of their first year of work, the Institutes numbered 45 with a membership of 2,600. Their distribution over the country was very general, Institutes being found both in Caithness and on the Border. By 31 October 1919 the number had increased to 118 and the membership to 7,000. In the three succeeding years the number of Institutes increased to 150, 209, and 242, and the membership to 10,000, 13,000, and 14,000. By December 1923 the number of Institutes had increased to approximately 340.

Many areas in public parks were broken up for cultivation by local authorities during the War and distributed as allotments. In many cases these plots were retained as allotments for several years after the War; in the case of the King's Park, Edinburgh, for example, the Board of Agriculture was able to secure a continuation of the allotment holders' tenancy after 1919.

The encouragement of school gardening in the crofting counties had been undertaken before the War with the object of stimulating an interest in practical cottage gardening in those counties, and thus to benefit both the children and their parents. In January 1914 the Board of Agriculture stated that it would supply seeds and plants up to the value of £1 free of charge to schools

in the poorer districts of the North and West. The older pupils were to be given practical instruction in gardening by the teachers and encouraged to apply such instruction at their own homes where possible. The condition of the school plots and the progress of the children were to be subject to inspection by the Board of Education. The North of Scotland and the West of Scotland Agricultural Colleges were willing to advise as to the formation of school gardens and, where desired by School Boards, would visit schools to give personal assistance with the work. A considerable number of teachers took advantage of the Board's offer. The scheme was continued throughout the War, about 350 schools being supplied with free seeds and plants each year. In 1917 owing to scarcity the Board of Agriculture was unable to supply seed potatoes to the schools but other seeds were supplied as usual. The help promised by the Agricultural Colleges was given and was of great value to the teachers. The reports received by the Board on the results of the scheme were highly satisfactory.

The Local Authorities. — In the winter of 1916-17 legislation was enacted which gave the allotment movement a new significance and prepared the way for the legislative developments which have taken place since the War.

The realization, in the autumn of 1916, of the precarious state of the food supply of the United Kingdom gave rise to the Food Production Campaign — a national effort to increase home production. Special powers to encourage food production were given to the Board (now Ministry) of Agriculture and Fisheries of England and Wales and to the Board of Agriculture for Scotland under the Defence of the Realm Act, 1914, by inserting two Regulations in the Defence of the Realm Regulations of 1914. These two Regulations, known as Regulation 2 L and Regulation 2 M (1), conferred summary powers upon the two Boards of Agriculture to encourage a high standard of cultivation throughout Great Britain and to ensure that land should be put to its most productive use. Regulation 2 M dealt with farms and Regulation 2 L, with allotments. The Boards of Agriculture were empowered to delegate to local authorities, which had long been acting as allotments authorities, the powers conferred upon the Boards themselves under

(1) Regulation 2 L, was inserted on 5 December 1916 and Regulation 2 M on 10 January 1917.

Regulation 2 L. The Board of Agriculture for Scotland, therefore, on 16 January 1917 issued the Cultivation of Lands (Scotland) Order, 1917, conferring on town councils certain powers to enter on land under the provisions of the Regulation (1). This Order was amended on 2 March by a further Order, the Cultivation of Lands (Scotland) Order, 1917 (No. 2). By these two Orders a town council was empowered to enter on any unoccupied land within its burgh without any consent or sanction, and to enter on any occupied land within its burgh if it first obtained the written consent of the occupier or the sanction of the Board of Agriculture (2). Occupied or unoccupied land outside the burgh could be similarly entered upon if in the opinion of the council it could conveniently be cultivated by persons residing within the burgh. The land thus entered upon was to be let out for cultivation as allotments to persons residing within the administrative area. Allotment holders were to be entitled to compensation if dispossessed of their plots before 1 January 1918 (3). The local authority was to do all things necessary for adapting the land for cultivation and was authorized to assist the plot-holders by purchasing seeds and manures and distributing them at a price just sufficient to cover expenses, and by providing implements to be re-sold to the plot-holders or lent to them on easy terms.

It may here be mentioned that private activity regarding the provision of allotments still went on side by side with the increased public activity.

The total amount of land entered upon in Scotland under Regulation 2 L was 284 acres. The number of allotments thus actually provided under the Regulation was not as great as might have been expected but in spite of this the powers conferred under the Regulation proved very valuable to local authorities. A great part of the land entered upon was given voluntarily by the landlords. There were few applications to the Board for the sanction of compulsory acquisition. During 1918 the Board gave its sanc-

(1) The powers conferred by Regulation 2 L were not formally delegated to parish councils but the Board of Agriculture worked with those councils in putting the powers into effect.

(2) "Unoccupied" land was defined as being "land in respect of which no person was entered as tenant or occupier in the Valuation Roll for the Year ending 15th May 1917." In 1918 this date was amended to 15 May 1918.

(3) In January 1918 the Cultivation of Lands (Scotland) Order, 1918, extended the period during which compensation would be payable up to 1 January 1919.

tion to eight town councils to enter on land under Regulation 2 L, the total area thus occupied being $24 \frac{1}{2}$ acres, and on the application of one parish council the Board itself entered upon one acre of land.

Of the 284 acres of land entered upon under the Regulation, $79 \frac{1}{2}$ acres consisted of occupied land entered upon by town councils with the written consent of the occupiers; 145 acres consisted of unoccupied land entered upon by town councils, consent not being necessary, and $59 \frac{1}{2}$ acres consisted of land entered upon by town and parish councils with the sanction of the Board of Agriculture.

In the exercise of its general powers under Regulation 2M the Board of Agriculture in 1917 provided small areas of land in the northern and north-western section of the country for cultivation as potato plots. In 1918 about 120 acres of land in the counties of Sutherland, Inverness, and Argyll were taken over under Regulations 2 L and 2 M for potato-growing and general cultivation, and allotted to crofters and others who had not sufficient arable land for their needs. With respect to part of this land it was unnecessary for the Board to use its compulsory powers for one farmer voluntarily gave $12 \frac{1}{2}$ acres of land for potato-growing. The Board provided fencing to enclose this land during the period of occupation. In another case, where $23 \frac{1}{2}$ acres of land were provided, powers under Regulation 2 L were employed only as a formality to enable the Board to deal directly with the plot-holders. In this case also the Board provided fencing.

The Cultivation of Lands (Scotland) Order, 1917, gave to a local authority the right to apply to the Board of Agriculture for financial assistance in the work of providing and adapting land for cultivation as allotments, the Board being authorized to contribute up to a limit of £2 per acre so provided. Few applications were made, however, since the majority of allotments schemes became self-supporting when carried on for a few years; such applications as were made usually related to fencing. Claims for compensation in respect of land entered on by the Board were likewise few and involved but small payments.

The powers of the Board of Agriculture to enter on land under Regulation 2 L expired on 31 December 1920. Its power to continue in possession was to cease on the date of the official termination of the War (later fixed at 1 September 1921), but under the

Defence of the Realm (Acquisition of Land) Act, 1916, the Board had power to continue in possession of such land for a period of two years after the termination of the War. The Board, however, decided to withdraw from possession on 28 November 1921.

Co-operation. — The expansion of the allotment movement was accompanied by a great development in co-operation. Great economies were secured for plot-holders by the co-operative supply of gardening requisites and by joint action in laying out and preparing plots for cultivation. Associations were able to stimulate good cultivation by such means as inviting experts to inspect the plots and arranging for the potatoes on the plots to be sprayed. Allotments associations were formed all over the country and several federations, with far-reaching objects, were organized. Many allotments associations were affiliated with the Scottish National Union of Allotment Holders. The development of co-operation, partly due to the desire of plot-holders to retain their land, was a proof that the allotment movement which had sprung up during the War had become permanent.

Results. — Owing to the absence of complete statistics it is impossible to give exact figures of the number and area of allotments cultivated in Scotland during or since the War. The Board of Agriculture, however, obtained returns from town councils and from certain parish councils from which it is possible to judge of the size and progress of the movement.

As far as returns show, in 1914 the number of allotments in towns and industrial parishes was 1,685, making up a total area of 249 acres.

In 1917 returns obtained from 201 burghs indicated that an area of over 1,850 acres had been brought under cultivation by the provision of allotments in 1917. This area included 15,698 allotments provided by town councils, 6,911 allotments provided independently by private allotments associations, and 208 larger areas cultivated by farmers and others at the request of town councils. From 51 town councils in industrial areas returns were received showing that 262 acres, comprising 3,571 allotments, were cultivated in those areas during the year. This, however, represented only a small part of the area cultivated as allotments in Scottish parishes.

In 1918 returns were received from the same authorities and from 23 additional parish councils, mostly in rural areas. These

showed that 44,793 plots of a total area of 3,484 acres were cultivated during the year. Some of these plots, however, as in 1917, were cultivated by farmers and others at the request of the local authorities. For the years 1919, 1920 and 1921 returns were received as before save that the parish councils in rural areas were omitted.

By excluding those areas cultivated by farmers and deducting from the returns obtained in 1918, the figures relating to the twenty-three rural parishes, the following comparison can be made of the number and area of allotments cultivated in towns and industrial parishes in each of the years specified.

*Number and Area of Allotments in Towns and
certain Industrial Parishes in Scotland.*

Year	Number of allotments	Area acres
1914	1,685	249
1917	26,180	1,551
1918	42,277	2,551
1919	41,756	2,641
1920	40,525	2,527
1921	38,651	2,309
1922	34,450	2,030

Were complete figures obtainable as to the number and area of allotments in Scotland, whether provided by public or by private means, the totals for the whole country would be seen to be considerably greater than those given above. The intensive cropping practised by the plot-holders and the fact that for the most part the food was produced where it was consumed and the work done by people in their spare time, gave to the allotment movement a special value during the War.

§ 2. LEGISLATIVE DEVELOPMENTS SINCE THE WAR.

After the close of the War several factors combined to cause a great need for further legislation regarding allotments. A considerable number of the allotment plots provided during the War were of a temporary nature. Plots had been provided on odd

pieces of ground, such as building sites, which would have to be returned to their owners when required, and the allotments provided under Regulation 2 L were essentially temporary. The allotment movement, however, had become permanently established, and the great majority of plot-holders, especially those who were members of allotments associations, desired to retain possession of their plots for a number of years. People cultivating plots provided under Regulation 2 L wished to retain them for a longer period than the Board of Agriculture could sanction under its emergency powers. To illustrate the desire of allotment holders to retain their plots, it may be mentioned that in one of the largest burghs in the country practically all the plots provided by the town council in 1917 were taken by it under the Allotments (Scotland) Act of 1892 for a period of five years.

Furthermore, the inadequacy of the existing legislation regarding the payment of compensation to dispossessed plot-holders was being felt. Under the Act of 1892 tenants were already entitled to compensation for crops, but compensation for unexhausted manures and for disturbance were now needed.

In 1918 the Scottish National Union of Allotment Holders had urged upon the Board of Agriculture that fresh legislation should be introduced to give town and parish councils additional powers to form allotments, and to give allotment holders a greater measure of security of tenure and to entitle them to more adequate compensation on quitting their plots. In 1919 the Union made further proposals to the Board urging that land for allotments should be provided under simple procedure.

Reports received by the Board of Agriculture in 1919 from 103 Scottish allotments associations showed that the demand for plots though not likely to increase in the near future was likely to be maintained. The associations emphasized the need for security of tenure especially in cases where the land had been held as allotments for several years.

The passing of the Land Settlement (Scotland) Act, 1919, was the first step towards reorganizing the allotment movement upon a broader basis. Provisions regarding allotments were contained in Part III of the Act which simplified the procedure for the provision of allotments by town and parish councils. The Act came into operation on 1 January 1920.

By this Act town and parish councils were given the right to

apply to the Board of Agriculture for authority to acquire land compulsorily for allotments purposes. The Secretary for Scotland was empowered to require town councils to appoint consultative committees, which could consist wholly or in part of persons who were not members of the councils, to confer with them on matters relating to the provision, equipment and management of allotments. The Board of Agriculture was given the power to apply moneys out of the Agriculture (Scotland) Fund, with the consent of the Secretary for Scotland, to an amount not exceeding £4,000 in any year for the purpose of encouraging and developing the provision of allotments. By the end of the year 1920 consultative committees had been formed in fourteen burghs, the majority of the committees consisting of members of the councils and representatives of the allotment holders in equal proportions. No grant from the Agriculture (Scotland) Fund was made for allotments purposes until after the passing of the Allotments (Scotland) Act, 1922.

The Agriculture Act, 1920 (1), made further important changes in legislation relating to allotments. The tenant of an allotment was given the right to compensation for disturbance as distinct from compensation for crops. Compensation for disturbance was granted up to a maximum amount equal to two years' rent of the garden. Allotment holders, however, were more anxious to obtain security of tenure than compensation for disturbance.

The decision of the Board of Agriculture to withdraw on 28 November 1921 from the possession of land entered on under Regulation 2 L, was carried out. After that date no land in Scotland was held under the Regulation and the powers of local authorities in connection with it came to an end.

In the same year preparation was made for enacting new allotments legislation in Great Britain and for codifying that already in existence. In August 1921 a Departmental Committee was appointed to investigate and report upon the position regarding the provision of allotments by local authorities in Great Britain. The Committee was to make any recommendation which it considered necessary to ensure adequate provision of allotments by these authorities and to improve the conditions of tenure. The report of the

(1) The powers of the Board of Agriculture under Regulation 2 M were superseded as from 1 January 1921 by the provisions of the Agriculture Act, 1920, together with Part IV of the Corn Production Act, 1917, as modified by this Act

Committee was issued in January 1922. On the basis of this report the Allotments Act, 1922, (referring to England and Wales) and the Allotments (Scotland) Act, 1922, were passed in the following August.

In the Allotments (Scotland) Act, 1922, an "allotment garden" is defined as "an area not exceeding forty poles which is wholly or mainly cultivated by the occupier for the production of vegetable crops for consumption by himself or his family, and is not let to the occupier during his continuance in any office, appointment, or employment held under the landlord or let along with any dwelling house" (1). This Act gives the long-desired security of tenure. It lays down that, save in certain exceptional circumstances, an allotment holder must receive at least six month's notice to leave; this notice must not expire within the cropping-season, *i. e.*, between 1 May and 1 November. In return for this security an allotment holder gives up his claim to compensation, being entitled to compensation only when dispossessed of his plot during the cropping-season.

The Act confirms the right of local authorities, given by the Land Settlement (Scotland) Act, 1919, to apply to the Board of Agriculture for authority to acquire land compulsorily by purchase or by hire. The procedure is, however, amended. The Act also empowers a local authority to acquire land for common pasture whether by purchase or on a lease in the same way as it may acquire land for ordinary allotments. Only persons residing within the administrative area of the local authority concerned are to be entitled to share the common pasture and the local authority is to make full regulations for its use.

A farther provision, which is of great importance regarding the development of the allotment movement, lays upon the council of every burgh with a population of 10,000, or over, the duty of setting up an allotments committee. Such a committee is to act in the name of the council in all matters relating to the provision of allotments by the council under the Allotments Acts, except as regards the raising of rates and the borrowing of money. An allotments committee is to include persons, other than members of the council, representative of the interests of the allotment holders in the burgh and themselves occupiers of such allotments.

(1) A plot of ground let by a farmer to one of his men for the production of vegetables, for example, would not come within this definition.

The effects of the new Act began to be felt almost immediately. By the end of 1922, for example, allotments committees had been formed in seven, and by the end of 1923 in thirty-two, out of the total of forty-four burghs to which the provisions regarding the setting up of committees apply.

The allotment movement owes its development to the fact that allotments were an important means of producing food during the War, but the value of the movement is not limited to food production. Even more important is its social value. In this connection it is significant that, in Scotland as in England and Wales, the movement has become preponderantly an urban movement, a development which will be appreciated on consideration of the benefit derived from an allotment by an urban worker and his family.

F. L. TOMLINSON.

RECENT AGRARIAN POLICY IN ITALY AND THE PROBLEM OF LATIFUNDIA.

AN attempt was made in an article which appeared in this *Review* in 1923 to state as briefly as was compatible with clearness the whole problem of latifundia with special reference to latifundia in Sicily. In that article mention was made of a bill which was then before Parliament on the "Transformation of Latifundia and Home Colonization". This proposal was approved by the Chamber of Deputies on 10 August 1923 but rejected by the Senate some months later.

The main principles underlying the bill were the following :

1. A general betterment scheme for an area, to include drainage, irrigation, roads, sanitation and social needs of the population, can and should go *pari passu* with an agricultural improvement scheme. The one is the complement of the other.

2. Landowners who refuse to carry out the agricultural improvements required may be expropriated, under various forms of procedure and on payment of fair compensation, in favour of corporate bodies or persons who engage to do what is required in their place.

3. Some part of the expenses of the agricultural improvement must be met by the associations for collective cultivation under the form of capital loans at a rate of interest below the current rate, while the association itself is directly engaged in promoting and carrying out the larger scheme.

The opinion of the writer in regard to this bill was expressed in the article referred to. Certain elements in the proposal were noted as on the whole good, but it was pointed out that the amounts appropriated under it to be employed by the Government and others concerned in giving effect to the immense schemes proposed were totally insufficient.

The article contained some criticisms of the scheme itself made

by Professor Arrigo Serpieri, who is, as was there said, "probably the ablest living economist in Italy", and in a foot note will be found a penetrating remark of Professor Peglion, at that time a distinguished teacher in the University of Bologna.

In August 1923, *i. e.*, two months after the article was written, the political situation placed Professor Serpieri at the head of the Department of Agriculture, and he continued to hold this position till July 1924 when he resigned office, and was succeeded by the other writer mentioned, Professor Peglion, who still holds office.

Professor Serpieri's term of office was brief, but the work he accomplished for agriculture in less than a year is such as to command the attention of students and experts.

The measures of agrarian policy suggested, drafted or actually applied by Serpieri in so far as they bear on the important problems of general land improvement schemes and of the latifundia will be the principal theme of the present article.

Speaking at Bologna on 15 March 1924 Professor Serpieri gave the history of his work and of his proposals. He expressed on that occasion the opinion generally held by modern economists, that primary importance should attach to problems of production and not to those of distribution; that it is therefore expedient and right to assist production, but not by substituting State action for individual action, or the principle of private liberty and responsibility by that of bureaucracy and authority, but rather by "placing private initiative in a position to act in the way which gives the best results in the public interest".

He referred to the erroneous idea that Italian lands are sparsely or improperly cultivated, whereas on the contrary "under natural disadvantages of climate, configuration and character of the soil and with malaria widely prevalent, the Italian farmer succeeds in extracting the equivalent of nearly 10 quintals of grain from each hectare of the whole surface of the country, reckoning in that area mountains, forests, marshes and in short every kind of land". At the same time however he emphasized the necessity for aiming at higher yields. These could only be obtained on two conditions: an improved standard of technical knowledge and a larger investment of capital in the land. "It is not a problem", he concluded "of different methods of distribution, nor of different forms of tenure, but essentially one of knowledge, and of capital".

In pursuance of these principles, based as they are on justice and

science, Professor Serpieri has initiated a scheme of reform both of the Institutes of Agricultural Research and of Agricultural Instruction.

Greater facilities of all kinds are now being placed within the reach of those who have up to the present been living in remoteness and isolation, with scanty personal and financial resources; and a new type of organization is introduced depending on the principle that every large agricultural administrative area is to have its Experimental Institute or closely co-ordinated group of Institutes, properly equipped for dealing with the problems which this type of agriculture presents. In connection with these Experimental Institutes there will be Bureaux for economic and statistical enquiries, the whole scheme being planned in the conviction that a more complete and systematic knowledge of the structure of Italian agricultural economy is the essential preliminary to any intelligent State action, as of any intelligent action on the part of a vocational or trade organization.

These Bureaux will be under the management of local bodies, but co-ordination will be established by means of a Central Institute of Agricultural Economics and Statistics, which, together with the Experimental Institutes will, as regards finance, have an endowment guaranteed by a State grant of a capital sum of 38 million liras, which it is hoped will be increased by private contributions.

Provision will be made for a complete recasting of the schemes for agricultural education in all branches and grades, including both the ordinary and the travelling classes.

The sum appropriated to the itinerant lectureships in agriculture is increased by a permanent addition of three and a half millions, while it is hoped, by means of a revision of the regulations under which the scheme is carried on and by other administrative changes, to ensure an improvement in staff, so that the institutions may maintain or regain their high tradition of being in each province centres of inspiration for agricultural progress.

As regards the schools, the higher schools are being re-organized; the schools for practical instruction will supply the material required for an intermediate school of the second grade, complete in itself, designed to train the managing staff of small farms and the assistant staff of large estates, while the basis is being laid of a well thought out scheme for the vocational education of boys of the peasant class who have passed through the elementary school.

"The social effects of this scheme", to quote Professor Serpieri again, "may be far-reaching: the upward movement of the peasant towards the small tenancy or the small ownership may be productive of good or bad results according as the peasant is or is not from the technical standpoint, properly equipped, for his new position and activities. We should most earnestly hope, especially in view of the social aspects of the question, that this movement will be strenuously maintained under the right agricultural conditions, but not under the artificial stimulus of State provisions designed to establish extravagant facilities with privileged credit. It should be the result of the natural pressure of selected elements in the population who have out of their own savings found at least some part of the means by which they can rise in the scale and find in the opportunity of a technical preparation the guarantee of a stable position in the future".

* * *

In the foregoing passage, which is quoted in its entirety, there is outlined the fundamental view of society as envisaged by Professor Serpieri (a view which in the writer's opinion is a frankly liberal one). The question is one of encouraging especially by means of education the selection of the best and fittest elements so that in this way and not through any artificial support, the agriculturists may have the opportunity of rising from the humbler to the higher levels of their class.

This is also the ideal that Serpieri keeps before him in his sketch of the second part of his programme, which is, as has been said, designed to increase the flow of capital to the land.

This intention does not, in Serpieri's view, cover merely the establishment of greater facilities for agricultural credit, but something very different and much more important: *viz.*, what he calls 'a comprehensive betterment scheme (*bonifica integrale*), "for which", he observes "as often happens in Italy a name was soon found; but after long years and interminable discussion, little more than the name". Hence for Serpieri credit for land improvement is pre-eminent, rather than mere agricultural credit.

Under a comprehensive betterment scheme, the land becomes, as it were, an object on which human constructive skill is exercised through a series of modifications and developments. The work of transformation is in part undertaken by the State — under

the form of the more important and striking works of public utility, including the regulation and utilization of water-courses — and in part by private individuals, in the form of farm buildings, plantations, soil improvements, etc. ; the whole being co-ordinated under a single general plan by which the original area, hitherto uncultivated or abandoned and malarial, is adapted, restored to healthy conditions and practically reconstructed by human effort, so that it becomes not merely an area of intensive cultivation, but one whereon the higher forms of social life may flourish.

Such a change of conditions has been accomplished in the course of centuries in that part of Italy where the physical and social conditions were favourable, but in other areas which are still undeveloped, the process is not yet even begun, and this is in the main the problem of Southern Italy.

For the accomplishment of any such end a large amount of capital has to be invested in the land ; there is not however likely to be any large return on capital so invested, but on the contrary the return is usually very small. If for the abstraction known as " the economic man ", the sole criterion of the employment of capital is the amount of the profit, to such a one it may be a matter of indifference that the country side shows no sign of life, and that the rural population either find their way to the towns or emigrate ; but this state of things is not and ought not to be a matter of indifference to " the sacred reality which is Italy. It is in fact essential to the political strength of Italy, to her social equilibrium and moral health, that a dense population should be able to maintain itself within the borders of the country, and the greater number should be peasants, healthy, sober, and thrifty. Capital built up from savings and sunk in the land brings a high social, if only a low economic return ".

These considerations justify the State interest and pecuniary support in connection with this problem so closely involved with many others, which unhappily have been in the past kept separate, such as the better regulation of drainage and irrigation, of forests and of mountain areas, the transformation of the latifundia, the question of State lands, etc.

The problem is not wholly the problem of Southern Italy, but one which is especially acute in Southern Italy ; it is not exclusively agricultural, but also territorial ; it falls not only within the competence of the Ministry of Agriculture but also within the sphere of the Department of Public Works ; it is a problem which neither the State,

nor individuals can solve separately, but one for the solution of which they must act in combination ; a problem which concerns not merely the individual but the race and the Nation ; one which must therefore be solved not by the criteria of private economic interest alone, but by criteria of a social order, and having due regard to the real advantage of the public, and therefore by using resources supplied by the community.

The solution is on that account the object of a combined plan of action, and of an agreement between the Ministry of Public Works and the Ministry of Agriculture. According to this scheme those public works which are an essential prerequisite will no longer be carried out independently and without due regard to the proposed changes in the systems of cultivation ; they will be brought into close relation, and the one regarded as the essential outcome, the mathematical "function" of the other. A wide appeal will be made to the interest of private persons but the inducement of solid advantages will be held out ; the utmost regard will be paid to the principle of individual liberty in the full expectation that private individuals will recognize their duties ; but if these duties are not so recognized "if expectations are disappointed by the inertia of ignorant or absentee landowners, it will be in vain for such persons to appeal for respect for property rights or for liberty ; respect will only be shown in so far as private property and liberty are in any real sense used in the public interest".

The principle of expropriation in favour of those who will take responsibility, and will give guarantees that useful changes in cultivation, etc., will be carried out, is accordingly accepted by Serpieri who intended to apply this principle consistently as against every interested opposition on the part of landowners who should fail in their duty.

The legislation which embodies, and is intended to give effect to Serpieri's ideals is contained more particularly in two Decree-Laws of fundamental importance.

The first of these decrees published in July last is entitled "Measures for Land Improvement of Public Utility" (*Provvedimenti per la trasformazione fondiaria di pubblico interesse*) ; the second makes provision for land improvement credit, and the purpose of both is to bring about, in conjunction with parallel schemes simultaneously-initiated by the Ministry of Public Works, the *bonifica integrale* of which the objects and character have already been indicated.

The Decree-Law relating to land improvements and changes in the system of cultivation is divided into 19 clauses.

The purpose of the decree is to solve the various problems of improvement both of area and of cultivation, viewed as special aspects of a single main necessity — that of establishing better conditions of life for the rural classes whose numbers are constantly on the increase within the bounds of Italy, owing to the numerous restrictions on emigration now in force. Its aim is to substitute for emigration wherever there is opportunity more intensive schemes of production with an increased employment of labour and capital and accordingly a larger gross yield.

An endeavour is being made to reach the desired end without introducing any radical alterations into the already existing legislation. It is the intention rather to make use of legislation, on the one hand, to guarantee the co-operation and combined action of the various State departments which have competence in the matter, and on the other to establish the close connection and interdependence that is required between the State action and its necessary complement of private enterprise.

The first clause of the Decree-Law gives a definition of the subject of the proposed operations, *i. e.*, the so-called *comprendorio*, or the area of land taken as a whole to which the provisions of the Decree apply for the purposes of the scheme of betterment.

The characteristics which the *comprendorio* or area of land improvement must present lie in the fact that the improvements it is proposed to effect are in the public interest, and also that such improvement can and ought to be executed according to a *single* scheme of work and activities of different but inter-co-ordinated types.

These areas will be defined by Royal Decree and placed on a list in order of urgency, but a first list will be issued within six months of the date on which the law comes into force. It will then be the duty of the Government to proceed with any public works which must be carried out concurrently with the land improvement, and further to carry out such improvements in cultivation and such land settlement as concern most of the farms in the area (*comprendorio*), whilst the land improvements of special interest for particular individual estates are obligatory on the respective landowners.

But the State does not undertake the actual execution of the

land improvement except in cases altogether exceptional (clause 9). As a rule the contract system will be adopted, special importance being attached to the proviso that the entire scheme shall be undertaken by a single contractor, in view of the fact that only unity in the general direction can produce that complete unity in planning and execution essential for the requirements of the scheme as a whole.

The necessary financial assistance will be provided for the contractor, and the procedure so far simplified as to avoid the necessity for referring all preliminary questions to various State departments till they are lost in a labyrinth of complicated procedure; thus any proposals will be considered promptly and in their totality.

The party to whom the concession is given, whether an individual or a consortium composed of individuals or of corporate bodies, is usually the party who will have the largest interest in the execution of the work and who will benefit most from satisfactory performance.

A contractor or concessionary on these terms, since he is bound to derive his own chief advantage from the increased value of the improved lands, will not interrupt the work, as might easily occur in the preliminary stages if the State were the prime mover, but will make every possible endeavour to bring his lands under cultivation, and presumably with that perception of the industrial possibilities of the undertaking which cannot be expected in the case of the Government departments.

This however presupposes that the concessionary is the owner or has the usufruct of a considerable part of the area to be improved (*comprendorio*) and in any case has authority to expropriate such property as is susceptible of important changes in cultivation or of industrial utilization, the owners themselves not being prepared to undertake these improvements on their own account.

Concessionaries may be corporate bodies (*consortia*) or individuals. The law itself (clause 6) applies in the first place to the actual owners, either inviting them to form themselves into consortia on the motion of whichever of them in the opinion of the Government represents the largest group of interests involved in the proposed improvements of the *comprendorio*, or having recourse to the formation of compulsory consortia by means of a special writ, with subsequently administration by Government commissioners.

In view of the fact that the extent and variety of the interests involved in the improvement of large *comprendori* make it difficult

to place them all under one and the same consortium or similar institution, the law (clause 5) gives facilities for the formation of various consortia of the first grade, covering groups of similar interests, and a single consortium of the second (or higher) grade responsible for co-ordinating and supervizing the work of the first.

The State makes a grant to these consortia which is not arbitrarily fixed by the law but which may and should be fixed, case by case, in the proportion actually required by the needs of the area to be improved. Payments on account will be made as the work proceeds.

The concession may be made merely on the basis of a simple draft scheme, on the understanding that detailed schemes will be submitted during the course of the work.

In the case, however, in which, notwithstanding the simplification of the procedure and the financial assistance of the State, there is no evidence that effective work has been begun, the State (clause 9) shall intervene directly on the request of any important public interest, so as "to ensure" (to quote the text of the clause) "the properly co-ordinated execution of all the measures essential to the improvement of the *comprensorio*, either by arranging that the concession be made on the basis of grouping the different kinds of work necessary, and that corresponding consortia should be formed, or by co-ordinating the direct execution by the State of certain parts of the work while leaving the remainder to be performed by contract".

After fixing the terms for the execution of the preliminary public works by means of a single contractor or by a combination of the various elements, there remains the planning of the execution of the minor improvements on each property seeing that such improvement is in fact the final object of the whole legislative scheme here reviewed.

It is evident that if the lands to be improved belong to the contractor, that party will have a direct interest in executing the land improvements, nor will he be likely to forget that the terms of the contract make him responsible for carrying them out. As regards, however, other property included in the area, difficulties may well arise and in particular from two causes, the inertia of the owner and lack of capital.

With a view to overcoming the inertia of the landowners a provision in clause 12 authorizes the Ministry of National Economy to consent to the expropriation of the lands on terms disadvantageous

to the recalcitrant owner and in favour of anyone owning land in the *comprendorio* and possessing considerable interests in it, who is prepared to carry out minor improvements in accordance with the general scheme, produces evidence of possessing the necessary resources and gives a sufficient guarantee of performance.

The Royal Decree of 30 December 1923, No. 3,139, is intended to remove possible difficulties arising from lack of capital. By this decree a suitable adjustment of the credit for improvements is made, and also provision for a State contribution up to a possible 2.5 per cent. towards the interest on the land improvement loans.

Such was, in its main lines, the agricultural land improvement policy followed by the Italian Government, while Serpieri was Minister of Agriculture. An attempt has here been made to summarize this policy, making use as far as possible of the actual text of the law, so as to secure accuracy of statement.

The above constitutes a moderate but sound line of action, so shaped as to allow of future and progressive development. It is not proposed to solve the problem with a stroke of the pen ; but a step forward towards a solution of the problem has been taken. The policy is not limited to certain regions but extends to the whole of Italy and is applicable wherever the conditions which call for its application prevail, and therefore in a very special manner to Southern Italy.

The fundamental principles are the following : due co-ordination between the different forms of the more strictly agricultural improvement (*bonifica agraria*) in order to secure comprehensive betterment (*bonifica integrale*) ; unity of execution of the works undertaken in each *comprendorio*, secured by their being entrusted to a single contractor (who may be either a consortium, or a private individual), while in exceptional cases the work may be undertaken by the State ; State contributions towards work on the land itself as well as for home colonization schemes, or in the form of contributions towards interest payments, as also towards agricultural improvements proper ; the greatest possible respect for individual liberty and responsibility, but at the same time full power of expropriation as against landowners who are unreasonably recalcitrant.

The State contribution for the public works connected with the whole scheme of land improvement is not a fixed sum, but it will be made with due regard to the funds available in the budget. The contribution towards interest on the loans for improvements is fixed

at 4 million liras for the financial year 1924-25 and is to be increased by a further four million, in each succeeding year, until it reaches the sum of 40 million liras annually (clause 4 of the Royal Decree, 30 December 1923, No. 3,139). Experience will show whether this sum is sufficient and in all probability it will be less than is required; if however the budget allows, it will be possible to increase the amount without any alteration of the law.

The responsibility both for these subsidies and for those connected with the execution of works of general land improvement, such as the regulation of water-courses, roads, village building, etc., rests with the general body of contributors, which is justified by the assumption that the question is always one of "an important public interest". Third parties do not pay their share at once, but in the long run it is paid, and the social gain compensates for the economic sacrifice.

Whatever capital Italy may lock up in her own land in order to render it more productive, more habitable, more healthy and more fit for the higher forms of social life, is not money wasted; the return will be given by a population which is in easier circumstances, more robust, more advanced, and no longer harassed by the ever-present necessity of seeking in a foreign land the maintenance that the home country cannot provide.

The scheme, as Serpieri conceived it, is thus one full of promise. Clearly its intrinsic value and its permanence can only be tested in actual practice, as must be the case with any scheme devised by man. But in the opinion of the writer this Decree-Law, simple, elastic and yet comprehensive as it is, based on sound principles of an economy essentially liberal, and making its appeal to the interests of individuals as well as to the common interest, which without making explicit reference to the latifundia is essentially aimed at the transformation of the system, and thus at the gradual solution of an age-long problem, presents, as compared with all other schemes, such noticeable and striking advantages as to give good ground for hope that it may be effective and successful.

It is earnestly to be desired that Serpieri's successor may have the power and the means necessary for carrying it into practice.

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MISCELLANEOUS INFORMATION

International Congresses

The International Co-operative Congress at Ghent. — *International Co-operative Bulletin*, 17th Year, Nos. 6, 7, 8 9 10, 11 London, June-November, 1924.

The Eleventh Congress of the International Co-operative Alliance was held at Ghent from 1 to 4 September 1924 in conjunction with the International Co-operative Exhibition then being held in the same city. In connection with the Congress, and immediately preceding it, a Conference on International Co-operative Banking was held at Ghent, and was attended by a considerable number of delegates to the Congress in addition to the specially appointed representatives of co-operative banks in various countries.

The Co-operative Congress was attended by 430 delegates and was the most representative gathering which the International Co-operative Alliance has yet convened. In addition to the different countries, the following international institutions sent delegates: the International Institute of Agriculture (which was represented by M. Oscar Bolle, Belgian Delegate to the Institute), the International Labour Bureau, the International Federation of Trade Unions, the International Town Planning and Garden Cities Association, and the International Committee for the Promotion of Free Trade.

Apart from the various subjects discussed, a series of five papers on special subjects were read before the Congress. The first, contributed by Mr. Albert Thomas (France), dealt with "The Relations between the Different Forms of Co-operation". The second subject was "The Tasks, Extension, and Limits of Co-operative Production"; on this subject two papers were submitted, one by Mr. Max Mendel (Germany) from the distributive societies' point of view and the other, by Sir Thomas Allen (Great Britain), from the point of view of the wholesale federations. The third subject was "The Rôle of Women in the Co-operative Movement", on which the paper was contributed by Mrs. Emmy Freundlich (Austria), and the final paper, presented by Mr. Gaston Levy (France), dealt with the subject "The Rôle of Banks in the Development of the Co-operative Movement".

Certain proposals were laid before the Congress by Mr. Albert Thomas. Mr. Thomas emphasized the need for the intimate connection of the different co-operative movements, and stated that the International Co-operative Alliance should establish direct relations between the agricultural co-operative societies and the consumers' co-operative societies, locally, nationally, and internationally, so as to bridge over the differences between industrial countries and agricultural countries. Secondly, he urged that it was desirable that co-operative societies, in their relations with their staffs, should entrust to co-operative groups of workers the independent responsibility for the direction of those parts of their business which were technically separable from the commercial and financial administration, and thus give an example to private enterprise. The final text of the resolution adopted by the Congress was as follows :

"The Eleventh Congress of the International Co-operative Alliance notes that the opinion of co-operators in all countries is converging on the characteristics which distinguish them from joint-stock companies and are common to all co-operative societies whatever their form.

"It considers that, with the assistance of the co-operative organizations and the best-informed co-operators in the different countries, prominence should be given, in the *International Co-operative Bulletin*, and the official reports of the International Co-operative Alliance, to a survey of the present position and development of the relations between the various forms of co-operation.

"It regards the steady development of such relations as a condition for the national and international organization of an economic system based on the satisfaction of needs and not on profit. It, therefore, draws the special attention of the co-operative movement to two main lines of action :—

"1. It is desirable that organic relations should be established between distributive and agricultural co-operative organizations with a view to the local and national consolidation of the interests of consumer and producer in town and country, the international consolidation of the interests of industrial and agricultural countries, on the basis of mutual respect for each other's conditions of life and work.

"2. The Congress invites societies to consider whether it is desirable that, in their relations with the staffs they employ the co-operative societies of every description should entrust to co-operative groups of workers, manual and intellectual, the independent responsibility for the direction of those parts of their business which are technically separable from the commercial and financial administration, and thus give an example to private enterprises of an organization of labour which conforms to the aspirations and the convictions of the workers.

"It is by making the different forms of co-operation articulate that the co-operative movement will demonstrate its capacity to reconcile — in the organization of industry as in that of agriculture — human dignity, freedom of action, and autonomy in labour with technical progress and collective action."

At the Conference on International Co-operative Banking the follow-

ing resolutions relating to international co-operative banking relations were adopted :

" 1. The International Co-operative Banking Committee invites the British and German Wholesale Societies, and the Labour and Agricultural Banks of the United States of America and Denmark to take part in its work and to help to create a Banking Organization for the workers and peasants comprising all countries. The Secretariate is, therefore, charged to communicate this resolution to the organizations concerned.

" 2. The Conference recommends to all Co-operative Banks to make use of the co-operative banking institutions of other countries as correspondents for the payment and recovery of debts abroad.

" 3. Wholesale societies are asked to give preference to Co-operative Banks to effect payment in other countries. The Bureau of the Committee is, therefore, instructed to supply the Wholesale Societies with the necessary information.

" 4. The Conference draws the attention of the Co-operative Banks to the advantages which might accrue to them by the organization of the transfer of emigrants' savings, and asks the banks interested to assist in this organization "

The International Co-operative Exhibition, which was organized by the Belgian Co-operators and lasted from 15 June to 15 September, was a great success, not only from the point of view of the number of countries taking part, of the exhibits, or of the number of visitors, but also from the financial standpoint, and no loss was suffered by the organizing and guaranteeing societies. The exhibition was a centre of instruction and much literature dealing with co-operative activities was distributed.

F. L. T.

Co-operation and Association

AUSTRIA

The Co-operative Utilization of Resins. — DIE AGRARISCHE WOCHE DER LANDES-LANDWIRTSCHAFTS-KAMMER, 19-23 MAI 1924 Vienna, 1924. — LANDHEIMAT 1922 — SYRUTSCHK: Bauernwald Vol 136 of the Schollnbibliothek Vienna -- LANDES-GESETZ VOM 29 JULI 1920 BETREFFEND DIE REGELUNG UND FÖRDERUNG DER HARZGEWINNUNG IN SCHWARZFÖHRENWALDUNGEN. Landesgesetzblatt, Vienna, 14 January, 1921.

In the south-eastern districts of Lower Austria there are about 70,000 hectares of forests of black pines (*Pinus austriacus*). These forests are found on soils which are very dry and poor, especially in humus, but rich in lime, and cannot be considered except in a few places, as fit to be used for purposes of agriculture.

The forests, which are usually thin and furnish very scanty pasture, are valued not only for their yield of timber and litter, but also because the older trees provide a yield of resins for a long period. An incision is made in the bark of the tree, and the channels from which the resin oozes are uncovered, and the resins are then skilfully collected in vessels.

From the end of April onwards, at intervals of 4 or 5 days, strips of bark are removed by means of a sharp instrument, beginning at the foot of the tree and gradually working upwards, thus uncovering all the time fresh pores.

From time immemorial the resins which trickle down and the hardened resin on the trunks of the trees have been collected by gatherers in very primitive ways and distilled in rough copper vessels in huts constructed for the purpose (*Pechhütten*), so as to obtain from it turpentine and rosin or Greek pitch.

It is obvious that this system could not hold its own against overseas competition, nor ensure sufficient profit to the gatherers.

When in 1906 the owners of the *Pechhütten* agreed among themselves to reduce the payment of the gatherers to 17 crowns per 100 kilogrammes of resin, some of them rented a hut at Piessting so as to exploit the resin on their own account. In 1908 this group of gatherers had formed itself into the Agricultural Co-operative Society for the Exploitation of Resinous Products at Piessting which soon acquired a second hut.

In the pre-war years the quantity of resin handled increased from 28 to 60 truck loads (of 10,000 kilogrammes) and the number of members from 72 to 118.

In the winter of 1913-14 the Co-operative Society underwent a serious crisis. The owners of the huts, who had large resources, tried in every way to overthrow the co-operative society, and it seemed likely that they would succeed as the products of the society were by no means satisfactory. It was however decided to set up a distillation plant of completely modern type, and this was completed in the last few months before the War.

But the War and the war economy which affected *inter alia* the resinous products checked the development of the co-operative society and the full utilization of the new plant. When, however, the system of control came to an end and production was once again free, there was a rapid increase in membership and also in the quantity of material handled. The number of members rose from 125 to 558, the number on 30 April 1924, and the quantity of raw resin supplied from 60 to 190 truck loads. At the present time the Co-operative Society, which includes also large forest owners, handles about 60 per cent. of the whole Austrian resin production.

The products of the co-operative steam distillery are of very good quality, even though they do not reach the standard of the finest French products. This fact was recognized by the Society which was anxious to produce a better article, which could command the highest price, and it was decided to pay greater attention to the collecting of the resin in the forests and to introduce systems of gathering which would guarantee a larger yield of a purer resin.

A more scientific method of collection has been adopted, terracotta

receptacles being used for the purpose, this method considerably diminishes the evaporation of the rosin, the percentage of impurities and the actual labour.

The National Chamber of Agriculture has decided to grant an increased subsidy of about 75 million crowns for the purchase of the necessary pottery.

The Co-operative Society will moreover have to keep in view the possibility of increasing the quantity of resinous trees. This can only be done on condition that strict limitations are placed on other ways of utilizing the woods, for example on pasturage or gathering of litter.

As it is clear that in present conditions the agriculturists cannot be deprived either of pasturage or litter, the Co-operative Society intends to proceed to the purchase of peat and to the formation of pastures, so as to meet in this way the needs of the members, and at the same time to render possible a more profitable utilization of the woods. The Society propose to put a specialist in charge of the woods so as to ensure the employment of good forestry methods.

H KALLBRUNNER

BELGIUM

An Official Enquiry into the Co-operative Societies. — LES SOCIÉTÉS COOPÉRATIVES EN BELGIQUE: 1873-1922 *Revue de Travail*, organ of the Ministry of Industry and Labour, No 5 Brussels, 31 May, 1924.

Before the revolution of 1848 there were in Belgium a few co-operative societies only, which were not then regulated by law, and confined their activities to the purchase of supplies for the winter. After 1848 a number of workers' and consumers' societies came into being, which however as a rule had only an ephemeral existence. These ineffectual attempts seem to have discouraged the pioneers of co-operation, as it was only after some years of almost complete inactivity that they resumed their work, and assisted in the formation of a number of societies. But even then the results were on a small scale; in 1867 there were in fact in Belgium not more than twenty consumers societies' and ten co-operative credit societies or popular banks, with a very limited field of operations. In 1868, as a consequence of the enthusiasm aroused by the formation of the Workers' International Union, a new group of societies made its appearance of a type which was however shortlived. Up to this stage the legal position had been that the co-operators might find in one of the existing types of commercial companies an organization by means of which they might attain their object. But in view of the situation which had arisen it became obvious that special legislative measures were required for the co-operative societies, and such measures were in fact introduced, under a special section, in the Law of 18 May 1873 on commercial companies. By this law the co-operative association was recognized as a new type of commercial company, possessing a corporate status. It was followed by the Laws of 2 July 1875 and 25 March 1876 by which fiscal exemptions from the registration and stamp taxes were granted to

the co-operative societies. These privileges were later partially annulled by the Law of 10 August 1923 which brought the co-operative societies into line with the joint stock companies as regards the collection of registration, stamp and mortgage duties.

The Department of Labour and Industry some fifteen years ago undertook a general enquiry into the situation of the co-operative societies existing in Belgium at the end of 1908. In 1921 the question of taking a fresh census was discussed, but no replies to the enquiries were received from a number of the societies and the project was not followed up.

In 1923 the Ministry of Labour initiated a fresh scheme for ascertaining the exact position of the co-operative movement, omitting the agricultural co-operative societies in the narrower sense, the War Losses co-operative societies (1) and the building societies established by the Law of 11 October 1919. The results of this enquiry may be here summarized.

In the first place for the period 1873 to 1922 the formation of 4,088 co-operative societies of all other kinds was reported, distributed as follows : 1,247 consumers' co-operative societies ; 26 co-operative pharmacies ; 612 employers' co-operative societies for production ; 104 workers' co-operative societies for production ; 57 " nations ", 207 co-operative credit societies , 83 co-operative workers' dwellings societies ; 218 mutual insurance societies ; 437 societies for the purchase of raw materials ; 1,097 miscellaneous societies.

It is clear from a statement which shews the number of societies formed year by year that the movement, originally of a quite tentative order, from 1896 began gradually to develop, suffered a check during the War, but showed a marked recovery after the armistice. In 1922 however a decline of 100 units as compared with 1919 took place. In the period 1913 to 1922 the numbers of new societies formed annually were as follows : 1913, 151 ; 1914, 70 ; 1915, 40 , 1916, 61 ; 1917, 101 ; 1918, 117 ; 1919, 395 ; 1920, 367 ; 1921, 330 ; 1922, 296.

At the end of 1922, 1,483 societies were in existence in the whole of Belgium, and 1,261 were in working order.

Of these societies 921 only stated the total of their business done for 1922 ; the aggregate sum being 5,251,362,353 francs. It should be noted that this sum is made up for the most part by the total of the operations carried out by the credit societies, viz., 4,231,861,521 fr.

The total membership of 966 societies was 517,122.

For 950 societies the paid up capital amounted to 133,066,343 francs. Out of the existing societies 321 were formed among persons following the same occupation. According to the number of co-operative societies in each the provinces may be thus arranged : Brabant, 336 ; Antwerp, 263 ; Liège, 244 ; Hainault, 187 ; West Flanders, 187 ; East Flanders, 161 ; Namur, 51 ; Luxembourg, 28 ; Limbourg, 26.

A brief account may be given of the different types of society.

Consumers' Co-operative Societies. — This type is the most widely diffused in Belgium, and has given the most tangible results. There are

(1) On December 1922 there were 319 War Losses Co-operative Societies.

few districts of importance which do not possess a consumers' co-operative society. For some years past these societies have shown a marked tendency towards amalgamation. A number of small societies have been already incorporated in the large Central Associations which are of considerable importance, especially in the provinces of Liège and Hainault. This tendency is to be explained by a recognition of the advantages of so increasing the volume of purchases as to obtain lower prices, of securing more important markets, especially for the produce of the farms managed by the societies and of a general reinforcement of co-operative activity. The replies to the enquiry show that the small societies are disappearing, and it may be predicted that in the relatively near future co-operative distribution will be represented in Belgium only by a number of regional associations with numerous branches.

On 31 December 1922 there were 322 consumers' co-operative societies in full working order, including 256 with a total membership of 386,708 members. The sales for the year for 254 societies amounted to 388,809,053 francs. The enquiry showed that 166 societies sell to the general public as well as to their members and that 177 societies sell at market price while giving a rebate to members, and 79 societies sell at prices lower than those of the retail trade, that is, in general, at cost price with the addition of a small percentage to cover the expenses of management.

Co-operative Pharmacies. — At the end of 1922 there were ten of these societies in existence, eight societies having a total of 671 members. The total amount of business done amounted to 6,288,326 francs. The turn over of the two most important of these organizations amounted in the one case to 2,133,972 francs, and in the other to 1,654,680 francs.

Employers' Co-operative Productive Societies. — By these are meant financial undertakings entered upon between private persons, manufacturers, or traders. In the majority of cases the members of these societies are persons engaged in the same trade, and the object of forming the societies is the production of certain articles indispensable for the trade or the installation at joint expense of a plant required for carrying on the business. 612 societies of this kind have grown up since 1873 and of these 252 were in existence on 31 December 1922. The turn over of 126 societies amounted in that year to 59,933,601 francs.

Workers' Co-operative Productive Societies. — These are formed among working-men for the joint exercise of their common trade. The members on the books are not all necessarily employees of the society to which they belong, while on the other hand many societies employ a certain number of paid workers, in addition to their members. For the period covered by the enquiry there were 39 of these societies.

"Nations". — This title is given to the workers' corporations which do all the loading, unloading and transport of goods, as well as the weighing and warehousing in connection with sea-borne trade. Twenty-three societies in this category have stated the number of their members, amounting in all to 955 and only 17 have communicated the figures of the business done in the working year 1922, the aggregate sum amounting to 37,990,705 francs.

Savings and Loan Co-operative Societies. — These Societies carry on banking operations, including bill discounting, the acceptance of deposits, advances of money, purchase of bonds, etc. At the end of 1922 there were 83 such societies 71 of which were in regular working order. The business done in the year by 58 societies amounted to 4,231,861,521 francs. The paid up capital for 59 societies amounted at the same date to 22,354,676 francs, with a reserve of 8,559,879 francs.

Workers' Dwellings Co-operative Societies. — The object of these societies is the building, purchase or letting of workers' dwellings, or loans for the purchase or building of this class of property. At the end of 1922 there were 24 such organizations, and the aggregate membership for 19 of these societies was 4,328. The business done by 18 societies in the year was 10,403,043 francs. This low figure is to be explained by the fact that no account is taken of the business done by the co-operative building societies which came into existence as the result of the law of 11 October 1919, instituting the *Société Nationale des Habitations à Bon Marché*. As an important part of the capital of these societies consists of contributions from the State, the provinces and the communes, they do not come under the strict definition of co-operation and hence have been considered separately. On 31 December 1922 there were 151 co-operative building societies established in accordance with the terms of the law referred to, with a subscribed capital of 112,485,500 francs, and in 1922 they built 11,405 houses.

Mutual Insurance Societies. — At the end of 1922 there were 45 of these societies in active working. Various branches of insurance are undertaken; there are 20 fire insurance societies; 7 societies for life insurance; 4 accident insurance societies; 5 societies for annuities and pensions, etc. The premiums collected in 1922 by 36 societies amounted to 10,873,848 francs, and the compensation paid in the same year to 5,084,129 francs. The capital assured by 30 societies at the same date was valued at 1,909,558,061 francs.

Co-operative Societies for the Joint Purchase of Raw Materials, Machines and Implements and for the Sale of Members' Produce. — There were 217 societies of this type in existence in 1922, 194 being in regular working order. The aggregate membership of 162 of these societies was 17,456. The turnover figures for 157 societies amounted to a total of 464,787,308 francs. The capital paid up by the members of 156 societies amounted to 33,527,222 francs.

Miscellaneous Co-operative Societies. — Under this head are grouped all societies formed for purposes other than those already indicated, and at the end of 1922, they numbered 346. Many co-operative societies formed for scientific, charitable or educational objects, which had adopted the form simply to obtain the privileges of a corporate body, were transformed into non-commercial associations by the enactment of the law of 27 June 1921. Among the 411 societies in existence 12 were for the establishment of "homes", 11 for the erection of schools, 3 for dealing in fuel, 2 for the care of buildings, 195 for the maintenance of halls for galas, meetings, cinema productions, etc., 35 for the organization of sports, 32

for the publication of pamphlets, 30 for financial and commercial operations, etc.

Of these 233 had in 1922 a capital of 17,354,690 francs, and 229 a turnover of 27,843,985 francs.

Lastly it may be mentioned that during the War 156 so-called war societies came into existence organized on co-operative lines; they were formed either among private persons or between communes and were intended only to carry on their work during the military operations, their object being to ensure the food supply of the population, to purchase agricultural produce and to make loans to persons with small means.

As already stated, the enquiry does not contain particulars as to agricultural co-operative societies in the narrower sense; it is however noted that from 1873 to 1922 2,369 agricultural co-operative societies were formed, their distribution being as follows: 404 in Brabant; 377 in Luxembourg; 342 in Limbourg; 267 in Western Flanders; 266 in Hainault; 236 in the province of Antwerp; 224 in the province of Liège; 191 in East Flanders and 62 in the province of Namur.

These particulars taken together with the details supplied in an earlier number of this *Review* on the vocational unions, which form the other characteristic type of Belgian institution, give a complete idea of the strength of the co-operative movement in the country, and provide an indication of the progress made during a considerable number of years.

G. C.

ESTHONIA

The Progress of Agricultural Co-operation. — LE MOUVEMENT COOPÉRATIF EN ESTHONIE 1901, 1921

Although Esthonia has only 1,200,000 inhabitants, distributed over 47,500 square kilometres, there were in the country at the beginning of 1924 nearly 2,000 co-operative societies, including 108 credit associations, 285 consumers' societies, 141 dairy societies, 576 societies for the joint use of farm machinery, 125 societies for working peat, 86 societies for making alcohol and starch from potatoes, 358 mutual insurance societies, two societies for poultry-breeding, the sale of eggs, etc. Among these organizations, the importance of the societies for the common use of farm machinery calls for special notice, the total membership of these societies being 10,252, and the capital 74,886,912 marks (1). The consumers' co-operative societies purchase directly from the producers of agricultural products, and in consequence it has not been found necessary to form any special organizations for the purchase and sale of farm produce.

The Esthonian co-operative societies have important central organizations:

1. The Union of Co-operative Societies which includes 370 societies, viz., 168 consumers' societies, 67 credit associations, 31 dairies, 38 societies

(1) One Dollar is worth 380 Esthonian marks.

for the joint use of farm machinery, etc. Through the agency of its 13 advisory auditors, the Union exercises control over the co-operative societies. It gives advice when required, organizes courses for training the staff, publishes a monthly review, a weekly journal and an annual.

2. The Central Society of the Esthonian Consumers' Societies included in 1923 263 societies with 89,137 members. It is primarily an agency for joint purchase and sale for its affiliated societies. It provides the means whereby the various consumers' societies can supply their members with agricultural machines and implements, fertilizers, seeds, etc., and can sell the produce of the co-operators. The Central Society sells flax to England, France, Germany and Sweden, linseed to Belgium, France, Germany and Finland, cereals to Russia and to Finland, potatoes to Finland, Russia, Sweden and Germany. The value of the exported products in 1922 was as high as 321,379,793 Esthonian marks.

3. The Central Agricultural Society "Esthonia" is especially an association of dairies, numbering in all 90. The Society has taken on lease from the State a property of 376 hectares, on which a dairy school has been established with a model farm and a poultry-breeding establishment. At Reval it possesses a creamery and a shop for the sale of pork, etc. It was instrumental in having built at Reval in 1923 an abattoir for pigs, organized with a view to the export trade. The same year the society has exported 1,384,200 eggs, or 32.8 per cent. of the total export from Esthonia.

In 1923 the following were the values of the sales at the 7 retail shops opened by the Society in Reval:

Meat, pork, etc	23,292,421	marks
Butter	19,875,645	"
Cheese	2,775,683	"
Milk and Cream	7,511,349	"
Other provisions	15,363,550	"

4. The Popular Bank of Esthonia, founded in 1920, undertakes the financing of the local banks and the organization of the circulation of funds among them. On 1 January 1924 its available share capital was 10,210,000 marks and deposits amounted to 48,111,000 marks.

5. The Union of Societies for the Manufacture of Potato Spirit and starch was formed in 1921 and includes 86 co-operative societies, each operating over a district with a radius of from 5 to 10 kilometres. The number of members in a single co-operative society varies from 10 to 150, the average number being 20. The area covered varies from 150 to 400 hectares. The share capital, in which members' shares vary from 500 to 25,000 marks, is on an average 375,000 marks (387 dollars) per society. The total capital of the 86 co-operative societies belonging to the Union amount to 32,568,000 marks (85,700 dollars), and in 1923-1924, these societies distilled 20,165 hectolitres of alcohol at 95°.

6. The Central Society of the Esthonian Mutual Insurance Societies was founded on 14 December 1923 and carries on both insurance and reinsurance business. The branches undertaken are fire, accident, live stock and transport insurance.

M. B.

HOLLAND

The Co-operative Dairies in 1923. — ALGEMEENE NEDERLANDSCHE ZUIVELBOND (F. N. Z.) : VERSLAG OVER HET JAAR 1922 EN 1923.

On 1 January 1924 the General Confederation of the Dutch co-operative dairies included eight federations with 438 co-operative societies. The importance of these federations is shewn by the following figures :

Federations	Affiliated societies		Milk handled (millions of kilogrammes)	
	1923	1924	1923	1924
Friesland	87	87	438.5	448.2
Guelders-Overijssel	96	96	361.3	414.0
Zuid-Nederland	118	110	179.1	195.3
Drenthe	49	49	102.1	120.1
North Holland	50	45	99.3	93.5
Brabant	30	31	76.0	93.1
Groningen	15	15	67.2	67.8
South Holland	5	5	18.4	21.7
Totals	450	438	1,312.8	1,453.7

The most noticeable reduction in the number of associated societies occurred in the case of the Federation of South Holland. Two societies only, however, split off from the federation, while six were wound up as the majority of the members had joined other co-operative societies belonging to the same federation. This tendency to form larger organizations has been marked for some years past throughout the area covered by the General Federation, and is still in evidence.

In spite of the reduction of the total number of the affiliated societies from 450 to 438, the quantity of milk handled has decidedly increased. In the year under consideration 111 million kilogrammes were handled, which was more than in 1922 and nearly 1,000 million kilogrammes more than in 1903, when 435 societies handled only 467 million kilogrammes.

The average quantity of milk handled per society in the post-war years has been as follows :

1919	2.28	million kilogrammes.
1920	2.58	" "
1921	2.73	" "
1922	2.98	" "
1923	3.31	" "

In 1923 an enquiry was instituted for the first time with the help of the controllers and inspectors of the federations on the work of the previous year in respect of 275 societies and in regard to the following points :

1. number of members ; number of milch cows ; milk, cream and secondary products sold ; production of butter, cheese, condensed milk and milk powder, with a statement of the receipts derived from each of these products ;

2. average receipts per kilogramme of butter ; average expenditure per 100 kg. of milk, under heads of fuel, wages, conveyance of milk and other handling expenses ; depreciation ; sums placed to the reserve fund ; average receipt per 100 kg. of milk supplied ; members' loans ; total net cost, and finally average of the fat content and payment for percentage of butter fat.

The special departments of the Confederation — the technical section and the central agency for purchasing — were both very active in 1923. The technical section registered during the year a turn-over of 478,000 florins. In the course of 1923 711 visits were made to federations and societies, for the purpose of giving lectures and of carrying out technical improvements and alterations.

The central purchasing agency which acts as the purchasing organization of the associated federations, and — if they have no depôt of their own — also as their distributing organization, was able in 1923 to effect an increase in the business done from 959,815 to 1,028,918 florins

All possible steps were taken to improve technique and to train expert workers by means of various courses of instruction and revision courses, and also by holding educational meetings in the districts and by the visits paid to the individual societies. In appointing the technical staff preference is given to those who have passed an examination before the examining committee of the federation. The candidate may select one among the seven sections of the examination scheme in accordance with the particular class of work in which he has already been engaged or intends to engage. In the year under consideration 262 candidates presented themselves for examination, of whom 28 only were employed in dairies not belonging to the Confederation.

F J. R.

ITALY

The National Federation of the Italian Rural Banks. — RELAZIONE SULL'ATTIVITÀ SVOLTA DALLA FEDERAZIONE NAZIONALE DELLE CASSE RURALI ITALIANE A TUTTO IL 1922. ROMA, 1923.

The rural banks in Italy are grouped under two national federations, one Catholic, to which reference has been made several times in this *Review*, the other neutral. The latter was established in Padua in 1887 by the action of Leone Wollemborg and transferred to Rome in 1907. A special report gives an account of the activity of this Federation up to the end of 1922.

Assistance of different kinds is given without charge to the federated

bodies ; the Federation promotes the establishment of the rural banks, either aiding local initiative by a supply of propaganda literature, or making itself directly responsible for their institution ; it holds inspections and audits ; in localities where rural banks are already in existence it arranges lectures on various questions relating to co-operation, mutual insurance and technology as applied to agriculture, accompanied by demonstrations and practical experiments ; whenever possible, it acts as intermediary on behalf of the rural banks both in finding the credit required and in the employment of surplus deposits ; it takes similar action in connection with the agricultural consortia and their federation to obtain facilities whereby the rural banks may supply their own members with raw materials, and farm requisites and machinery, on the most advantageous market terms and with proper securities as to quality. The Federation also encourages sales of produce, compiles statistics of the rural banks, deals with legislative and fiscal questions relating to this type of society, and promotes regional conferences and national congresses, twelve such congresses having taken place in the period 1909 to 1921.

The Federation has undertaken responsibility for the inspection of the federated banks, with the object of seeing that they are fully acquainted with the accountancy systems and the fiscal measures in force. These inspections have been carried out in various provinces of Italy, and about 3,500 queries have been dealt with, chiefly relating to questions of taxation. Close touch is maintained with the competent Ministries as regards all matters relating to their interests ; 200 experiment plots have been established on members' land with the object of diffusing a knowledge of the use of fertilizers and high quality seeds ; and the Federation has issued a large number of statistical and technical publications besides propagandist literature.

A practical innovation is the institution of a register of the societies, the Federation keeps a register of the rural banks and the small agricultural co-operative societies, keeping an accurate record of all changes information as to which is drawn from the legal news sheet of the provinces of Italy. It was thus possible to ascertain the number of the societies in existence in the years from 1910 to 1922, as shown in the following table :

Rural Banks in Italy.

	1910	1911	1912	1913	1914	1920	1922
Northern Italy	1,121	1,119	1,188	1,187	1,217	1,840	1,879
Central Italy	180	210	238	260	279	484	532
Southern Italy	120	155	191	214	254	582	589
The Islands,	342	375	346	461	529	541	540
Totals . . .	1,763	1,859	1,963	2,122	2,279	3,447	3,540

The following table giving the position of the rural banks belonging to the Federation in certain of the years from 1909 to 1922 is compiled from specially collected statistical data.

Statistics of Rural Banks affiliated to the Federation.

Years	Number federated	Share capital and reserves	Deposits	Bills in hand	State securities	Current accounts	Total business done (in comings and out goings)
		lire	lire	lire	lire	lire	lire
1909. .	34	60,450	3,954,180	2,209,747	—	—	4,685,743
1912. .	240	790,374	30,220,000	16,000,549	—	—	35,394,362
1915. .	350	1,050,792	45,650,590	27,240,074	3,279,463	7,894,325	60,753,324
1919 .	350	1,938,790	78,190,205	34,250,061	10,842,206	20,749,240	82,341,003
1921 .	400	2,297,157	80,596,415	38,881,910	18,085,808	19,490,533	140,675,940
1922. .	410	2,819,991	79,082,926	40,804,454	20,172,339	13,432,286	157,423,416

The National Bank of the Italian Rural Banks was instituted by the Federation in 1915 with headquarters in Rome, the object being to accumulate larger resources for the benefit of agriculture, and to introduce better co-ordination into the movement. Mention was made of the National Bank in the issue of January-March 1923 of the *International Review of Agricultural Economics*.
G. C.

Insurance and Thrift.

AUSTRALIA

Hail Insurance in Australia. — From information communicated to the International Institute of Agriculture by the Government of the Commonwealth of Australia, to which it was supplied by the following authorities. *Western Australia*, Government Statistician; *South Australia*, Secretary, Accident Underwriters' Association; *Queensland*, State Government Insurance Commissioner; *New South Wales*, Government Statistician; *Victoria*, Secretary, Accident Underwriters' Association; *Tasmania*, Secretary, Accident Underwriters' Association — ACTS OF THE PARLIAMENT OF QUEENSLAND, 7 George V, Session of 1916. Brisbane, 1917.

Apart from damage done to haystacks by fire, damage to crops by hail (1) is practically the only agricultural risk covered by insurance in

(1) The following paragraph may here be quoted with regard to hail storms in Australia: "Throughout Australia hail falls most frequently along the southern shores of the continent in the winter, and over south-eastern Australia during the summer months. The size of the hailstones generally increases with distance from the coast. . . . A summer

Australia. Except in Queensland no administrative or legislative measures have been taken with regard to hailstone insurance and the business is left entirely in the hands of private insurance companies. In Queensland, however, following the Insurance Act of 1916, which authorized the Government to carry on all classes of insurance business, the State undertook insurance against hail and thus shares this business with private companies.

In Queensland under the Act of 1916 a State Government Insurance Office was set up and placed under the control of the Insurance Commissioner, and a State Hailstone Insurance Fund was created. All premiums and moneys relating to hailstone insurance received by the Commissioner are paid into the Fund and all payments in respect of policies are paid out of it, whilst all payments in respect of the administration of the business are shared between the Hailstone Insurance Fund and the State Accident Insurance Fund created under the Workers' Compensation Act of 1916. The Act provides also that insurance companies must obtain a licence from the Insurance Commissioner before they can undertake insurance business, and that they must furnish the Commissioner with returns of their business. Standard rates of premiums are laid down by the Commissioner together with a representative of the insurance companies; these rates are revised by the Commissioner and the representative at intervals of not less than three years.

The regulations of the companies regarding hail insurance are very similar in the various States of the Commonwealth. Within 48 hours after sustaining damage by hail an insured person must give notice of the damage in writing direct to his company, or through the company's agent, stating the time when the storm occurred, each kind of crop damaged for which claim is intended to be made, and the estimated amount of damage done to each crop. After notice is received the company sends a valuer to assess the amount of the damage. Compensation for damage to wheat, oats, barley, and other grain, is made at prices not exceeding the price per bushel of the grain, according to its quality, at the nearest market town the week before the storm commenced, less the cost of harvesting and cartage to that town. Compensation for damage to crops to be pulled green is made at the market price in the neighbourhood of such crops up to the amount insured, and for all other crops compensation is made at the average market prices of similar produce in the neighbourhood, less the cost of harvesting and cartage. A company reserves to itself the right to defer settlement of the loss until after the crop has been harvested; in case of dispute as to the amount of any loss or damage the matter is referred to arbitration.

The insurance granted, whether by the companies or by the Queensland Government, extends to damage by hail only; damage by wind or

rarely passes without some station experiencing a fall of stones exceeding in size an ordinary hen-egg, and many riddled sheets of light-gauge galvanized iron bear evidence of the weight and penetrating power of the stones." **OFFICIAL YEAR BOOK OF THE COMMONWEALTH OF AUSTRALIA**, No. 16, 1923, page 63. Brisbane, 1923.

water, for example, is not covered. Straw is not included in the insurance unless expressly named and the premium paid.

Available figures relating to hailstone insurance in the Commonwealth are given in the following tables.

TABLE I. — *Australian Hailstone Insurance Rates.*
Premium Rate per £100 Insurance in the different States.

		Western Australia	South Australia	Queens- land (1)	New South Wales	Victoria	Tasmania
		s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Wheat, barley, oats, rye, and maize.	1 month	No data	18 0	75 0	No data	18 0	18 0
	2 months	»	24 9	100 0	»	24 9	24 9
	3 »	»	31 6	125 0 ⁽²⁾	»	31 6	31 6
	4 »	»	35 0	135 0	»	35 0	35 0
Other classes of crops	1 month	»	36 0	100 0	»	36 0	36 0
	2 months	»	45 0	120 0	»	45 0	45 0
	3 »	»	54 0	140 0	»	54 0	54 0
	4 »	»	60 0	160 0	»	60 0	60 0
	5 »	»	66 0	180 0	»	66 0	66 0
	6 »	»	69 0	200 0	»	69 0	69 0
	7 »	»	72 0	— —	»	72 0	72 0

(1) In Queensland there has been considerable variation in the rates within the last ten years but the figures given are as at the end of 1923.

(2) A special 3 months' rate was allowed for wheat taken by the Wheat Pool, this special Pool Rate being: 1922-23, 50s., 1923-24, 70s.

TABLE II. — *New South Wales. Hailstone Insurance.*

	Net premiums	Losses	Charges	Surplus or deficit (—)
	£	£	£	£
1914-15.	9,179	9,555	407	— 783
1915-16.	63,945	17,997	25,669	20,279
1916-17.	64,289	262,587	26,739	— 225,037
1917-18.	86,594	52,657	37,061	— 3,124
1918-19.	23,983	2,751	10,759	9,888
1919-20.	8,958	871	4,351	3,736
1920-21.	278,658	75,487	90,439	112,732
1921-22.	70,178	54,729	276,630	— 12,181
1922-23.	31,253	6,378	13,547	11,328

TABLE III. — *Victoria. Hailstone Insurance.*

	Premiums	Losses	Ratio of losses to premiums
	£	£	Percentage
1919	2,086	580	27.7
1920	16,426	619	3.7
1921	18,570	1,026	5.5
1922	7,533	526	6.9

TABLE IV. — *Western Australia. Hailstone Insurance.*

	Premiums less reinsurance	Claims less reinsurance	Losses				Total losses
			Taxes	Salaries	Commission and agents' charges	Other losses (Rent, printing, stationery)	
	£	£	£	£	£	£	£
1917	5,875	34	—	—	1,113	1,339	2,486
1918	6,784	5,867	—	—	1,176	1,687	8,730
1919	11,357	3,957	512	1,484	1,900	985	8,838
1920	26,791	22,271	780	3,414	4,680	1,992	33,137
1921	30,611	15,575	1,130	3,961	4,683	2,935	28,284
1922	28,910	18,957	1,061	4,298	4,387	3,691	32,397

TABLE V. — *South Australia. Hailstone Insurance.*

	Premiums	Losses
	£	£
1911	1	nil
1912	10	»
1913	56	»
1914	2	»
1915	82	»
1916	—	—
1917	—	—
1918	—	—
1919	121	nil
1920	753	»
1921	548	»
1922	108	»

There are no available data relating to hailstone insurance in Tasmania. The figures for Queensland are more complete than those for the other States.

TABLE VI. — *Queensland. Hailstone Insurance.*

	Estimated value of crop insured	Area under wheat	Premiums received	Claims paid	Ratio of claims to premiums
	£	acres	£	£	percentage
1917	93,446	127,815	3,037	9,131	300.6
1918	25,745	21,637	837	3,554	424.6
1919	41,672	46,478	1,354	83	6.1
1920	623,508	177,320	20,264	25,474	125.7
1921	419,200	164,670	13,624	3,805	27.9
1922	431,310	145,500	19,131	29,001	151.6

The distribution of premiums and claims of hailstone insurance in Queensland for the year 1922 was as follows :

	Premiums £	Claims £
State Government	906	1,580
Insurance companies :		
18 Australian companies	4,500	6,693
4 New Zealand "	1,384	2,444
19 British "	8,249	13,940
35 Foreign "	4,092	4,344
Total 79 companies	19,131	29,001

It will be seen that only a very small amount of hailstone insurance was undertaken by the Queensland Government. F. L. T.

FRANCE

The Work of the Large Mutual Live Stock Insurance Societies. —
L'Argus, Paris, 27 July 1924.

The *Argus* summarises the working of fifteen large mutual live stock insurance societies during the last 32 years as shown in the table on page 118.

These figures relate only to the mutual insurance societies, and it should be noted that insurance of live stock is carried out also by thirteen share companies. As, however, these Companies limit themselves to adding a live stock insurance branch to the other branches they are already carrying on, it is impossible to ascertain the exact results obtained as regards live stock insurance alone.

Operations of the Societies from 1892 to 1923.

Year	Number of head insured	Total values assured	Receipts	Number of losses	Total compensation paid	Reserves at end of year
		fr.	fr.		fr.	fr.
1892	20,806	36,469,292	1,245,078	2,995	838,552	218,000
1893	21,062	36,843,974	1,305,064	3,282	904,805	220,805
1894	19,442	38,833,729	1,290,990	2,892	868,724	232,577
1895	18,787	37,010,695	1,259,413	2,508	804,204	242,237
1896	21,499	40,585,135	1,402,804	3,001	914,178	265,218
1897	23,568	43,787,385	1,348,555	3,480	1,086,474	298,244
1898	26,097	49,311,190	1,564,758	3,882	1,280,446	323,204
1899	28,033	51,371,273	1,658,412	3,986	1,392,052	323,939
1900	30,240	51,544,472	1,761,955	3,884	1,433,309	324,094
1901	34,945	65,447,355	2,224,308	4,336	1,818,792	333,935
1902	32,378	66,691,868	2,327,538	4,029	1,857,095	372,081
1903	39,040	68,774,900	2,398,272	4,219	1,901,386	387,555
1904	40,060	71,913,841	2,560,975	4,591	2,112,309	365,460
1905	42,430	76,772,422	2,690,804	4,991	2,264,849	347,257
1906	44,494	84,613,478	2,918,776	5,866	2,537,040	335,246
1907	45,174	87,959,738	3,044,325	5,662	2,934,228	498,137
1908	43,303	79,530,719	2,875,254	4,773	2,649,145	583,226
1909	42,511	81,613,763	3,033,290	4,743	2,659,786	709,233
1910	43,725	89,546,003	3,381,359	5,408	3,104,258	722,263
1911	51,052	104,213,611	4,008,550	6,060	3,255,488	718,520
1912	55,984	112,696,487	4,208,374	5,507	3,093,944	808,637
1913	68,246	142,575,508	5,161,572	5,763	3,512,670	928,699
1914-1919	—	—	—	—	—	—
1920	70,255	343,073,723	11,368,647	5,240	6,856,611	3,738,654
1921	91,692	436,413,781	16,693,474	6,700	11,295,639	5,170,643
1922	88,861	430,732,056	18,029,213	7,568	12,717,442	4,909,405
1923	107,754	519,876,176	21,078,955	7,700	14,333,077	7,057,384

M. B.

* * *

Agricultural Mutual Insurance Societies in 1922. — MINISTÈRE DE L'AGRICULTURE: RAPPORT AU PRÉSIDENT DE LA RÉPUBLIQUE FRANÇAISE SUR LE FONCTIONNEMENT DES SOCIÉTÉS D'ASSURANCES ET DE RÉASSURANCES MUTUELLES AGRICOLES EN 1922. Paris, 1924.

Up to the present time the statistics published by the Ministry of Agriculture only included those mutual insurance and reinsurance societies which were in receipt of Ministerial grants, and were therefore incom-

plete. On the other hand the figures supplied referred to a considerable number of societies especially live stock insurance societies which had formerly been in receipt of grants but which, owing to the War, had found it impossible to carry on their work but had not reported the fact to the Ministry. Some of these Societies were reconstructed on the cessation of hostilities but a considerable number have entirely disappeared.

In view of the inadequacy of the available documentation it is difficult to overestimate the importance of the step taken by the Ministry of Agriculture in deciding to make, for the financial year 1922, a full enumeration of the agricultural mutual insurance societies, without regard to the fact that they had or had not made application for State aid. A certain number of societies omitted to complete the enquiry forms which were sent to them, but according to the report these omissions are of but slight consequence, so that the published figures are of quite particular value.

The enumeration shewed that in 1922 there were 12,290 societies classified as follows according to the risks undertaken :

Mutual live stock insurance societies.	6,995
Societies insuring against agricultural fire risks. . .	5,003
Live stock re-insurance societies	70
Re-insurance societies against agricultural fire risks.	40
Hail insurance societies	12
Societies insuring against accidents in agricultural work.	168
Societies for re-insurance against accidents in agri- cultural work.	2

The 6,995 live stock insurance societies have a total membership of 338,766, and cover risks estimated at 1,257,237,361 francs. As a matter of fact, the number of members is slightly higher, for the figures do not show the number of members in 106 societies in Loire-et-Cher, and for 78 societies in Seine-Inférieure. No societies are mentioned for four Departments, viz., Creuse, Hérault, Lozère, and Seine. On the other hand, there are 1,066 societies in Landes, 277 in Haute-Marne, 268 in Yonne, etc. In some cases the membership seems too low, and it is not easy to understand how 61 societies in Lot have only 66 members. On the other hand, the 199 societies in Eure-et-Loire number 22,223 members, or an average of 111.6 for each, and the general average is 48.4 members per society.

The re-insurance of 3,030 local societies is undertaken by 70 re-insurance societies, for an assured capital sum of 347,678,378 francs ; 320 of these re-insurance societies are in their turn re-insured by two important central re-insurance societies with head-quarters in Paris, namely, the National Re-insurance Society, which embraces 27 re-insurance societies with 1,174 local societies and an assured capital sum of 136,120,597 francs, and the Central Bank of Agricultural Mutual Insurance Societies under which are grouped 5 re-insurance societies with 200 local societies and an assured capital sum of 85,615,471 francs.

The mutual fire insurance societies number 5,003, with a total membership of 242,282, and an assured capital sum of 4,395,760,732 francs. In the following 15 Departments these societies are non-existent: Ardennes, Corsica, Eure-et-Loir, Loir-et-Cher, Loiret, Marne, Meurthe-et-Moselle, Oise, Sarthe, Seine, Seine-Inférieure, Somme, Tarn-et-Garonne, Vienne. On the other hand, there are 482 societies in Haute-Marne, 269 in Basses-Pyrénées, 264 in Aube, 262 in Isère, etc. 4,889 local societies are affiliated to 40 re-insurance societies, not including the re-insurance society known as *L'Algérienne*. As in the case of live stock insurance, there is also reinsurance in the second degree for the fire insurance societies, which is carried out by two societies with headquarters in Paris, namely, the National Re-insurance society for Agricultural Fire Insurance Societies, embracing 25 re-insurance societies with 89,016 members and a re-insured capital amounting to 322,040,094 francs, and the Central Bank of Agricultural Mutual Insurance Societies (Fire), grouping 16 re-insurance banks with 158,880 members and a re-insured capital amounting to 495,484,429 francs.

There are only 12 hail insurance societies with 4,461 members and an assured capital of 17,892,444 francs. In 1922, 169 societies with 55,710 members and 98,693 insured persons carried out insurance against accidents in agricultural work, but these figures will be considerably increased, since as from 1 September 1924 the Law of 15 December 1922 to extend workers' accidents legislation to farms will come into force.

From 1898 to 1922 the grants allowed to the agricultural insurance and re-insurance societies amounted to 20,262,750 francs. In 1922 577 societies received financial aid for a total amount of 1,297,150 francs. These societies may be classified as follows:

Societies in course of formation:

48	Live stock insurance societies	73,000	francs.
2	" re-insurance	"	12,000	"
266	Fire insurance	"	403,000	"
3	Fire re-insurance	"	18,000	"
4	Accident insurance	"	4,700	"

Societies in full active working:

159	Live stock insurance societies	162,000	"
58	" re-insurance	"	508,700	"
8	Fire insurance	"	2,500	"
25	Fire re-insurance	"	70,250	"
2	Accident re-insurance	"	35,000	"
2	Hail insurance	"	7,000	"

The allocation of the grants is made in accordance with the terms of a Decree of 16 March 1920 by a Commission consisting mainly of deputies, senators, and the representatives of the chief agricultural associations and the mutual insurance and re-insurance societies. In accordance with

the Decree of 19 July 1922, the Commission also contains as additional members a Finance Inspector and four assessors two of whom are nominated by the Public Audit Department and two chosen from the auditors attached to the State Council. These assessors are required to examine any contentious questions which are referred to them by the administration or by the Commission.

At the meeting of 8 December 1922, the Commission adopted new scales, slightly reduced, to the extent of 200 francs, for the grants to the local live stock or fire insurance societies in course of formation. The object of this reduction was to set aside adequate sums for the re-insurance societies to enable them to build up reserves corresponding to the extent of the risks for which they undertake insurance in the event of exceptional mortality. On the other hand in connection with the live stock or fire re-insurance societies, scales proportionate to the share of loss which the re-insurance institution undertakes have been adopted with the object of adjusting the grant to the importance of the society. Finally the grant is made on the condition that the re-insurance societies again re-insure themselves in the second degree with another insurance organization.

M. B.

HOLLAND

Insurance of Forests. — *Tijdschrift der nederlandschen Heidemaatschappij*, Year 33, No 12, Year 35, No 4, Year 36, No 6 Arnhem, 1 December 1921, 1 April 1923 and 1 June 1924

Special reasons made it advisable that a co-operative forest insurance society in Holland should undertake insurance against fires. On the sandy lands and dunes of Holland there are large stretches of pine woods which are very liable to fires, and in 1921, a year with a low rainfall, not less than 1,100 hectares of forest valued at 300,000 florins, were destroyed by fire.

The insurance society proposes not only to compensate the members, by securing re-afforestation, but to take action for the prevention of fires by exercising control over the means of protection required.

According to the annual report of the Arnhem Mutual Forest Insurance Society the forest values insured by 693 members over an area of 13,386 hectares amounted, on 31 December 1923, to nearly 5,551,229 florins. In the year to which the report relates 25,591 florins were paid in fixed premiums. The compensation payments, 3,739 florins in all, were much below those for 1922, which amounted to 23,797 florins.

A steady progress is shown by the figures given on page 122.

From 1922 the management of the insurance society has been in the hands of the Dutch Reclamation of Waste Lands and Dunes Company (*Heidemaatschappij*), which has always paid special attention to the extension of forest cultivation and especially to the planting of woods on waste lands which cannot be used for ordinary cultivation.

The *Heidemaatschappij* has divided the insured forests into administrative districts so as to enable the officials to gain a better knowledge of the insurances effected or to be effected, by assigning them certain de-

Year	Capital insured	Fixed annual premium	Management expenses	Compensation payments	Number of members	Area insured
	Florins	Florins	Florins	Florins		Acres
1910	1,416,110	6,386	1,205	825	338	5,687
1911	1,647,694	7,395	1,318	16,091	401	6,472
1912	1,684,400	7,657	1,337	3,746	454	6,733
1913	1,904,943	8,599	1,446	4,585	490	7,407
1914	2,212,676	9,681	1,599	3,408	500	8,287
1915	2,473,574	10,801	1,728	2,504	509	9,030
1916	2,811,772	12,315	1,897	6,662	510	9,714
1917	3,200,516	13,922	2,091	14,803	527	9,974
1918	3,578,203	15,325	3,966	10,179	561	10,855
1919	4,516,741	20,112	4,915	39,315	562	10,928
1920	4,793,678	21,054	5,178	1,079	567	11,093
1921	4,868,761	21,528	5,254	18,924	577	10,732
1922	5,403,750	24,403	5,768	23,797	686	12,725
1923	5,551,229	25,591	5,935	3,739	693	13,386

finite districts. The official makes his report on the spot, examines the whole position and aspect of the woods to be insured and makes recommendations for the precautionary measures to be taken to prevent the outbreak of fires. He is responsible for the observance of the regulations issued by the Company and ascertains by inspection whether the precautions taken against the occurrence of fires are really satisfactory. F. J. R.

SWEDEN

Live Stock Insurance, in Recent Years. — STATISTIK ÅRSBOK FOR SVERIGE (*Statistical Year-book for Sweden*), 1923. Stockholm, 1923.

Insurance against mortality and accidents of livestock was first adopted in Sweden in the second half of the last century. In the following table the figures for 1917 and subsequent years are given.

TABLE I. — *Live Stock Insurance at the close of the year.*

Years	Insurance of horses		Insurance of cattle		Total
	Number	Crowns	Number	Crowns	
1917	443,708	289,739,119	586,224	168,786,497	458,525,616
1918	462,908	369,807,436	571,277	187,974,157	557,781,593
1919	470,665	423,754,732	569,285	209,070,097	632,824,829
1920	425,968	394,481,594	594,495	276,360,536	670,842,130
1921	443,412	357,163,087	677,405	316,761,695	673,924,782
1922	450,324	360,422,300	698,642	344,592,305	705,014,605

Table II shows the annual financial results for live stock insurance.

TABLE II. — *Financial Statement for the Insurance Societies.*

Years	Premiums received	Compensation paid
	Crowns	Crowns
1917	7,488,586	5,277,425
1918	9,620,176	6,118,952
1919	11,342,209	8,457,932
1920	11,453,647	9,032,047
1921	11,568,873	9,976,917
1922	12,110,022	10,180,133

In 1922 there were 730,000 horses and 2,726,000 head of cattle in Sweden. Hence the number of horses insured represented 60 % of the total as against 20 % of the total of number of cattle.

Credit.

AUSTRIA

Credits for Control of Parasites of the Vine.

In 1924 the grape harvest in Austria was with a few exceptions very scanty and many vine-growers found themselves in a very difficult position being hardly able to supply their own needs and lacking the means to purchase the expensive spraying materials without which it has become impossible to carry on vine-growing. To meet these difficulties, the National Chamber of Agriculture has set aside the sum of 1,000 millions of crowns for loans without interest to vine-growers. These credits, which are to be extinguished in one year, are granted only to those growers who in 1923 paid less than 100,000 crowns in tax on personal property, and who could prove that they had had a bad harvest in 1924. Growers who have not paid off the debt by 1925 will have to pay interest from that year onwards and in this case the loan is also inscribed in the land register. The sums obtained may be used only for the purpose of the control of the parasites.

H. KALLBRUNNER.

COLOMBIA

Institution of an Agricultural Mortgage Bank. — LEY 45 DE 1923 (JULIO 19), "SOBRE ESTABLECIMIENTOS BANCARIOS". *Diario Oficial*, Year LIX, Nos. 19,137 to 19,139. Bogotá, 6 August 1923. — LEY 110 DE 1923 (DICIEMBRE 12) "SOBRE FUNDACIÓN DE UN BANCO AGRICOLA HIPOTECARIO" *Diario Oficial*, Year LIX, Nos. 19,380 and 19,381. Bogotá, 21 December 1923.

By the general law on banking institutions, No. 45, of 19 July 1923, the Republic of Colombia recognized that among the various measures

essential for the solution of the national agricultural problem, banking reform logically comes first, and consequently in that law there were laid down the lines of a complete banking system, designed to encourage an increase in production. In pursuance of this law an Agricultural Mortgage Bank was founded by a further enactment, dated 12 December 1923, No. 110, the object of which is to grant loans, secured by mortgage on rural property, to farmers throughout the Republic.

This comprehensive law which contains nearly 140 articles, lays down rules for credit transactions in all phases, commercial, administrative and penal, and creates a special banking department of the Government, responsible for carrying out the law and possessing wide powers of control and jurisdiction as regards banking.

The head of this new State Department, under the title Controller of Banks, will exercise supervision and control over all the banking, commercial and mortgage institutions, administered by individual private bankers, corporate bodies or companies, including the Bank of the Republic. All the expenses of inspection, settlement of legal questions, authorization of the establishment of banks, branches, and agencies, expenses arising from breach of regulations or from dissolution, etc., will be reimbursed by the Treasury, on the account of the banking institutions, by means of a special contribution proportionate to their respective activities.

The law regulates the establishment and the method of working of the mortgage banks and of the mortgage sections of the commercial banks.

The Government acts in conjunction with the banks of issue and discount in assisting the foundation of mortgage banks, which will deal mainly with the issue of bonds and loans on long credit terms, amortizable by annual payments. Regulations as to the lines of activity and the special powers assigned to the Controller appear in the respective foundation deeds to be agreed upon as between the Government and the promoters.

The Banks are not permitted to issue bonds other than mortgage bonds and bearer or inscribed shares.

The law gives special privileges to these Banks, including exemption from stamp duty, and exemption from military service for the Bank employees, free military or police protection at the request of the Bank, and various privileges as regards procedure in the event of forced sales, as well as other privileges in the courts.

These banks grant loans only on long credit terms, guaranteed by mortgage and issue bonds, payable to bearer or to order, secured by mortgages registered in favour of the bank.

These institutions, not including the mortgage sections of the commercial banks, may receive temporary deposits, payable on 90 days' notice and acknowledged by means of passbooks, or certificates of deposit, 12.5 per cent. in legal tender being however set aside for the special reserve fund. In these circumstances they are enabled to make loans for limited periods, not exceeding two years, for agricultural purposes secured by agricultural pledges. The mortgage banks enjoy full liberty under the law to fix the rates of interest and their commission charges.

The bank shares may not exceed the value of 100 gold pesos.

After this brief statement of the chief points of the law which establishes the principles of a complete banking system, a summary may be given of the main provisions of the law, No. 110, of 12 December 1923, to establish in accordance with the terms of the basic law, the Agricultural Mortgage Bank for the special benefit of the rural class.

The headquarters of this Bank will be in Bogotá and branches and agencies will be set up in the chief towns of the departments. Its function will be to make loans for periods of not less than five years repayable at rates inclusive of the amortization of capital and interest. These loans are only granted for such purposes as the following: dismortgaging of lands intended for agriculture, construction of drainage and irrigation works, introduction of certain types of cultivation, purchase of fertilizers, seeds, machines, implements and animals, exclusively for agricultural purposes.

Persons or societies not engaged in agricultural work or stock breeding are ineligible for the loans.

The Bank may issue, up to a limit of 10 million pesos, mortgage notes or warrants of 30 to 100 pesos, to bearer, to be drawn by lot for amortization at par, which carry the right to repayment of capital and payment of interest with full State guarantee, as well as to premiums in money on State guarantee, if considered desirable.

The interest on Bank loans may not exceed 10 per cent.; the difference between this interest and that of the bonds may not exceed two per cent.; the total value of the loans must not be more than 10,000 pesos.

The legal standing of the bonds will be as defined by the general banking law referred to above. The payment of the coupons in cash is made at the headquarters of the Bank in Bogotá, at the agencies and branches of the Bank or through the Bank of the Republic and the corresponding foreign banks, for the greater convenience of holders. Should it prove necessary to give effect to the State guarantee, the necessary steps would be taken by the Treasury or by the Bank of the Republic, on the basis of special agreements.

The law also provides that among the shareholders of the Bank shall be the State, the Departments desiring to take part in the foundation of the Bank and national and foreign banking institutions whose support is obtained by the Government, provided that such support is not less than 2 million pesos. Such participation is in no way to interfere with the rights of municipalities or of individuals or corporate bodies who may wish to take up shares.

Should such support not be forthcoming, the Bank shall be founded by the State, by the Departments and by private persons who wish to become shareholders. In this case the minimum capital subscribed must be a contribution of one million pesos by the Government and a similar amount by the Departments.

The sum subscribed by the State shall be paid in full as soon as the Bank begins operations, while half the sum provided by the Departments shall be paid immediately and half after an interval of a year.

Provision is also made for the failure of support by the Departments. In this case the Bank will be entirely national and will have a capital of one

million pesos, paid by the State, which shall be empowered to increase the sum by half a million.

The balance of an indemnity due from the United States to Colombia is under this law set aside for this purpose, and can be discounted if desired.

The administration of the Bank will be carried on by a Board of nine members, and by a manager elected by the Board. All these persons shall remain in office for three years.*

The appointment of these administrators will be made, as regards five members of the Board, by the Government with the approval of the Senate, and the other four by the Departments, if they participate in the foundation of the Bank, or by the banking institutions which provide financial support in lieu of the Departments.

Government officials may not under the law be nominated as members of the Board, or as employees of the Bank.

The Bank bonds and its transactions are exempt from any registration charge, stamp tax and income tax and from any kind of State, departmental or municipal contribution.

Such of the Bank profits as accrue to the State shall form part of a special fund for meeting bills. The Government will take steps to ensure that the Departments dispose in a similar way of their profits.

The Government shall have the power to renounce its share in the profits, in favour of the banking institutions whose support may be obtained for the foundation of the Bank, provided that such support shall facilitate the taking up of the bonds.

Special agreements are in contemplation between the Government and the Bank of the Republic with the object of securing the realization of the objects of the law, and particularly in regard to the punctual payment of the mortgage notes.

E. F.

GERMANY

The Granting of Mortgage Loans through the Agricultural Co-operative Societies. — *Landwirtschaftliches Genossenschaftsblatt*, Nos. 36 and 42. Neuweid, 20 September and 1 November 1924. — *Blätter für Genossenschaftswesen*, No. 40. Berlin, 3 October 1924.

The stabilization of the currency was accompanied by a shortage in working capital, and hence the co-operative societies were compelled not only greatly to reduce credits, but also — in order to ensure the maximum liquidity of the limited resources — to make a stricter enquiry into the purposes to which the loans were applied. In times when economic conditions were favourable and there was a large influx of capital from outside sources, it was of no great importance that a certain part of the loans, and those which in form and by their terms were really personal credits, had to be regarded, in respect of their economic employment, as loans made to the farm. It was now on the other hand imperative to keep very strictly to making short term loans for working capital, or credits which can be put to a productive use on the farm so as to facilitate the reduction

or the repayment of the sums lent by means of the ordinary profits, even under less favourable economic conditions.

On the other hand the agricultural co-operative societies for obvious reasons were interested in granting mortgage credits on favourable terms to their members. It was impossible to leave unassisted individual members in need of loans in the period of restricted credit facilities and high prices, and the central co-operative organizations made every effort to help them, by themselves obtaining the mortgage credits.

With this object the Raiffeisen Bank and the Mortgage Co-operative Bank in alliance with the Prussian Bank, founded in 1921, came to an agreement with the associated group of the German mortgage banks with a view to obtaining long term mortgage credits.

The credits are granted on favourable terms, that is, in mortgage gold bonds at 8 per cent. issued by the mortgage banks forming the group. The interest of 8 per cent. plus half per cent. for expenses of administration is paid half-yearly; on one occasion only, when the capital is repaid, a payment must be made of six per cent. as a contribution to expenses and a stamp tax of half per cent.

The mortgage credit granted cannot be called in up to 30 September 1930; the borrower on the other hand has the power to extinguish the debt on condition that he does so by means of bonds of the same series and that he pays by 30 September 1930 the half per cent. of contribution to the administration expenses. If on 30 September 1930 the loan is not extinguished by the borrower, it may be transformed into a loan on amortization terms on which he will have to pay a yearly instalment of amortization of three per cent.

To obtain a mortgage credit the members of the co-operative societies forward their requests to the societies on the proper forms and accompanied by the necessary documents. No maximum of the total credit to be granted has been fixed; but the amount of the single loan must not be less than 1000 gold marks.

F. J. R.

FRENCH PROTECTORATE OF MOROCCO

Mortgage Credit for Land Settlement. — *L'Afrique Française*. Paris, December 1924.

By a Dahir of 9 May 1923, the Protectorate had already instituted collective short term and medium term credit, in connection with the formation of co-operative societies known as Mutual Credit Banks (*Caisses de crédit mutuel*), which may receive from the Government of Morocco for a period which may extend to 25 years loans without interest up to twice their paid up capital in cash. In this way in 1913 a sum of 223,000 francs was allotted to various co-operative societies and in 1924 a credit of 790,000 francs assigned for the same purpose.

The next step was to institute individual agricultural long term credit, so as to provide settlers with the means required for bringing their land concessions under cultivation.

This form of credit does not exist, properly speaking, in France, Algeria or Tunis. The French Law of 4 August 1920 is in this respect a law of special social importance primarily intended to facilitate the taking up of small rural holdings, and the loans at reduced rates of interest were only granted to such borrowers as would cultivate the land themselves or with the help of their families. The total value of the loan was usually small and only reached 40,000 francs in exceptional cases determined by the age, family circumstances or nature of the service during the War of the borrower.

In Morocco, on the other hand, a form of long term agricultural mortgage credit, which is at once highly adaptable and practical, has recently been adopted. Such is the object of the Dahir of 29 October 1924, "instituting new forms of mortgage credit by means of the Bank of Loans on Real Property (*Caisse de prêts immobiliers*)" and published in the *Bulletin officiel* of 11 November 1924.

The *Caisse de prêts immobiliers* of Morocco was founded in 1920 by the Crédit Foncier of Algeria and of the Regency of Tunis with the object of encouraging the development of town building by means of loans to Cheap Dwellinghouse Associations. The results obtained have been very satisfactory. A sum of about ten million francs has in this way been advanced to these associations. The town housing conditions have been thereby much improved and the rent situation relieved in Morocco, and it was felt that the organization thus formed in 1920, the staff of which had gained valuable experience of long term mortgage operations, could easily adapt itself to the new schemes which were being proposed for developing credit for colonization.

In the Dahir of 29 October 1924 two leading ideas may be recognized: that of rendering material assistance to agriculture, and, within the limits of the land laws on registration, that of facilitating the raising of capital on property by mortgage and by the creation of mortgage bonds.

In order directly to encourage agriculture, the State gives as a rebate to the settlers some part of the interest due from them to the *Caisse de prêts immobiliers* of Morocco for the loans which they have contracted in order to carry out agricultural improvements of a permanent kind, or to bring their land under cultivation. A vizirial decree will each year fix the amount of the rebates for which the State can make itself responsible.

Raising of capital on landed property will be carried out by two separate operations. Every registered owner of real property, whether urban or rural, will be able to create a mortgage on it for a sum equal to 50 per cent. of the value of the property mortgaged and this before the realization of any loan; when he requires money he can endorse the mortgage warrant to the order of the *Caisse de prêts immobiliers* of Morocco, which will in exchange deliver to him a mortgage bond specially guaranteed by the mortgage register and having the Bank guarantee in addition. This bond, which is negotiable like an ordinary bond, and which can be divided into 500 franc coupons may be negotiated by the landowner to whom it has been transferred under whatever conditions suit him best. The *Caisse de prêts immobiliers* of Morocco have power besides to grant cash mort-

gage loans for a period of 5 to 30 years. To procure the funds necessary for these operations it will have power to issue vouchers secured by the aggregate of the mortgages assigned to the Bank for cash transactions.

The Dahir of 29 October 1924 lays down the terms in detail for the working of the *Caisse de prêts immobiliers* of Morocco, on which the Protectorate will be represented by a Government Commissioner. Under a special provision of this Dahir decisions as to loans will be made by an advisory committee sitting in Morocco on which the agricultural credit banks will be represented.

In order effectively to carry out its responsibilities, the *Caisse de prêts immobiliers* of Morocco has just increased its capital to 2 million francs with the support of the Crédit foncier of Algeria and of the the Regency of Tunis and of the principal credit institutions in Morocco.
M. B.

ITALY

Provisions for Land Credit for Disabled Ex-Service Men of the Peasant Class. — REGIO DECRETO-LEGGE 19 GIUGNO 1914, N 1125. CREDITO AGRARIO-FONDIARIO AGLI INVALIDI DI GUERRA RURALI — I MUTUI FONDIARI AI CONTADINI INVALIDI DI GUERRA, *L'Agricoltore del Lazio e dell'Umbria*, No 30 Rome, 27 July 1924

Italian legislation with reference to disabled ex-service men included from the first the idea of State assistance to make it possible for the disabled man, if of the peasant class, to purchase a house and small piece of land. This policy has found a special practical application in the land work of the *Opera Nazionale per i Combattenti*, and at the present time, in the Royal Decree of 19 June 1924, No. 1,125, a special form of State aid is contemplated which is worthy of note in view of its importance and of the objects which it is intended to secure.

The new provision is only concerned with disabled men who are eligible for a war annuity, and are themselves agricultural labourers or direct cultivators or belong to families of labourers or cultivators. Disabled persons paying land tax to an amount exceeding one hundred liras are excluded

Disabled men thus eligible may obtain a mortgage loan amortizable in twenty-five years for the purchase of farm land of an estimated value of not more than 20,000 liras. The loans will be made by the credit institutions authorized by the Ministry of National Economy to carry out land and agricultural credit operations with a State contribution towards the payment of interest for the purposes of the Decree of 30 December 1923, No. 3,139, already discussed in this *Review* (1). Each of these institutions must in fact set aside for loans to disabled men a certain part of the sum assigned for mortgage loans.

The State will contribute towards the payment of the annual instal-

(1) See issue of April-June 1924.

ment including the amortization and the interest, to the extent of 3.50 per cent. of the sum originally lent and the *Opera Nazionale per i Combattenti* and the *Opera Nazionale Mutilati e Invalidi di Guerra* will contribute 0.75 per cent. each. The annual contribution is therefore an amount equal to 5 per cent. of the loan.

As an exception to the provisions in force on the subject of land credit, the loans to the disabled men will be granted for the whole value of the farm land. Apart from the regulations contained in the consolidating text of the laws and decrees on agricultural credit, approved by Royal Decree, 9 April 1922, No. 932, it is guaranteed by the disabled man's pension but for a sum not exceeding a third of such pension.

The disabled man cannot alienate the farm land he has bought nor any profits he may make on it within ten years from the time of the granting of the loan; and in case of alienation after that period, the loan must be first extinguished. In this way any possibility of speculation on the part of outsiders is excluded.

The total amount of the loans to be made to disabled men cannot exceed 15 million liras for the whole number of the institutions making the loans, and it may be assumed that individual loans will not in all cases reach the maximum of 20,000 liras. Hence it is estimated that about a thousand disabled men will benefit by the scheme.

The measure thus makes possible an experiment of much importance, and is of special interest as tending to bring about the establishment of small cultivating ownerships.

G. C.

Land Systems.

ALGERIA

New Regulations for Colonization by French Settlers. — BERNARD AUGUSTIN: *La colonisation française en Algérie et le décret de 1924*, in *L'Afrique française*, Paris, December 1924.

A Decree of 9 September 1924 to amend a former decree of 13 September 1904, has recently revised the regulations for official colonization in Algeria, and M. Augustin Bernard, professor of geography at the University of Paris, has taken the opportunity of recalling the vital aspects of the question of the rural population of the colony and of noting the principal changes made by the new decree.

By the Decree of 1904 four methods of alienating State lands were allowed: sale at a fixed price, sale by public auction, sale by agreement, and finally free grant when in the interests of colonization. The Decree of 1924 has made no change in this respect.

Considerable flexibility in administrative procedure had resulted from the fact that the Decree of 1904 authorized both sale and free grant,

as either method may be employed to the best advantage as regards peopling the colony and bringing the land under cultivation. Sale at a fixed price, which has become the normal process, makes it possible to acquire property at once and on advantageous terms; it ensures the recruitment of settlers of better financial position, better able to surmount difficulties and as a result of the sacrifices they have made more attached to their property. Financially the colony recovers, by means of the sale, some part of its expenses, which are always increasing with the rise in the price of land and cost of means of access. The method of free grant is not however completely abandoned, and this method makes it possible to make a special choice of settlers for the new centres and to supervise the settlements more effectively. Moreover the difference between selling and granting lands is not in actual practice so important as theorists on the subject of colonization are so apt to suppose. Lots are often transferred at a price obviously below their true value, while, on the other hand, a free grant is often free in appearance only. It is useless to give land to persons who have not the means to bring it under cultivation. Before the War applicants for free grants of land were required to possess a sum of 10,000 francs; to-day 25,000 francs are required, and a much stricter enquiry is made into qualifications than was formerly the case. A minimum expenditure of from 40,000 to 50,000 francs is now indispensable for bringing an allotment of land under cultivation.

In the period 1904 to 1922, 194,000 hectares have been handed over to be colonized by Europeans, 79 new villages and 53 groups of farms have been formed and 77 already existing centres enlarged, while 2,405 French families have been established, of which 1,488 came from France and 917 belonged to Algeria. Of these, 823 French families and 582 French-Algerian families purchased 1,405 separate holdings with a total area of 137,000 hectares. The 1,000 free grants, covering an area of 57,000 hectares, were made to 665 families from France and 335 French-Algerian families. Although the State reserves are exhausted, new territories have been allotted every year, and rural centres and groups of farms have been constituted. The immigrants have come chiefly from the South East of France, the Alps and Corsica. During this period Sersou has been settled and provides one of the most striking examples of the success of official colonization; a large number of villages have been formed in the south of Oranie, in the plains of Sétif, and in the Dahra.

The Decree of 1904 has given good results as regards the number of properties alienated and the extent of land allotted, as well as the general increase in rural building, live stock and agricultural implements, etc. From the point of view of population the outcome is less satisfactory. Experience has shown that some modifications are essential, particularly with the object of constraining the person acquiring the land to cultivate it by his personal labour and of preventing lands under colonization from once again lapsing to the natives and to their methods of cultivation or rather neglect of cultivation. These changes were effected by the Decree of 1924.

Up to 1924, persons acquiring land were expected to reside thereon

with their families effectively and permanently, and to farm it themselves for the ten years after entry into possession ; the period of compulsory residence might be reduced from ten to five years if certain improvements were carried out, or if another family similarly qualified as to origin, etc., were substituted. After a further period of ten years, the plot might be purchased by any applicant. These guarantees however proved inadequate. In future there will be required of the purchaser or the grantee both residence and personal working of the land for twenty years, a period which may be reduced to fifteen if he has put up buildings and made improvements of adequate value. It has been considered essential similarly to prolong the period during which State land, whether sold or granted, cannot again fall under the ordinary law. The additional period prescribed after the conditions of residence and cultivation have been complied with is therefore also extended from ten to twenty years.

To sum up, the period of compulsory residence is extended from ten to twenty years, the period during which the lands may be transferred to French settlers only is extended from twenty to forty years. These are the two essential reforms of the Decree of 1924. The power to substitute another family is abolished, as it had given rise to serious abuses. Its existence had made it possible for the members of a single family to purchase several holdings in the same centre, and in this way the result had been a perceptible reduction in the number of settlers.

The Decree of 1904 imposed no conditions regarding the family of the future settler. The government insisted that persons receiving free grants of land should be heads of families with several children, but the right to exclude single men from the sales at fixed prices or the auction sales was not contemplated. In future purchasers must be married or widowers with at least one child under age.

The legislation of 1904 reserved two-thirds of the plots for immigrants and one third to French persons born in Algeria. By the Decree of 1924 the share reserved for the Algerian born is raised to a half. There are good reasons to justify this measure. The settler who is the most acclimatized and is the most likely to succeed is obviously the son of a settler. He knows the crops which are suitable to the country, and is acquainted with the language and customs of the natives. There are fewer failures to fulfil obligations among the Algerian born than among settlers from France itself.

The Decree of 1924 enacts that the person who acquires land and does not fulfil his obligations shall have the right only to the sum representing the improvements made by himself. In case of forfeiture, in fact, the price adjudged has almost always been higher than the purchase price. Defaulting settlers thus found themselves enjoying what were virtually premiums, although penalties might justly have been imposed. A stop had to be put to abuses of this kind.

M. B.

CUBA

Letting of Rural Lands belonging to the State. — DECREE No. 532, MAYO 1924, *Gaceta Oficial* No. 108. Havannah, 7 May 1924.

In the territory of the Republic of Cuba, and particularly in the two provinces of Oriente and of Camaguey, there are stretches of rural lands belonging to the State, which it was impossible for the Public Administration to bring directly under cultivation, and which for the most part yield no return to the Treasury, and are in many cases held by persons who, as they have no title to the property, are the source of difficulties and disputes which are prejudicial to the interests of the State.

Up to the present time the occupation of these lands or farms has been hindered by the operation of the provision of article 137 of the Regulation drawn up as supplementing the Law of 1882, which enacted that the period for which lands that are State property may be let must not exceed two years, a period which is too short for the tenant to bring the land under proper cultivation and to pay the necessary attention to the breeding of stock.

To remove the difficulties created by this article, the Government has issued, by the Decree of 2 May 1924, special regulations by which the lands in State ownership or held by the State which are not brought under cultivation or granted for public utility purposes, and are not subject to any previous agreement may be granted on leases by means of public auction.

In the draft leases there will be stated the price, the annual rent, the period for which the agreement is made, which must not exceed ten years, nor be less than two. Any improvements made on the lands remain for the benefit of the State.

In the case in which, at the time the decree comes into force, a property has already been granted on lease or in usufruct, the lessee or holder in usufruct shall have the power to demand that the property be let by public auction for an extended period, and if this request be disallowed, then that the new agreement made with a third party shall date from the expiry of the existing agreement.

When land already let or held in usufruct, or land the letting terms of which allow it to be declared to be State property is put up for auction, the law enacts that anyone holding such land in usufruct or the person making such declaration, shall have the right of pre-emption which may be exercised before the Secretary of the Ministry of Finances, within five days of the conclusion of the sale.

Lands which have been declared by any person to be State property will be let by means of public auction, provided that proof of such ownership is forthcoming either from facts brought forward or on enquiries made, unless no such right appears either entered or noted in the Register of Property in favour of any person, or particular persons.

The auctions will take place simultaneously in the Secretariate of

the Ministry of Finance, in the presence of a representative of the Secretariate and of the Administrator of the Fiscal zone or District in which the land is situated. The deeds of transfer must be signed by those making the bids who, to be considered as bidders, must deposit ten per cent. of the rent which they offer, taking as the total sum the rent corresponding to the total number of years in the lease as fixed by the agreement.

In the event that two or more bids, being clearly the most advantageous whether in respect of the rent offered or the period of the lease, are equal in value, a friendly auction sale will be arranged between the two bidders.

Arrangements are then made for the adjudication of the land to the highest bidder whose offer is considered to be suitable.

In the case where a lessee of rural lands constructs on his lands railway lines and plant, and employs in such construction not less than 200,000 pesos in official money, he shall have the right to demand and to secure that the period of the lease be extended in his case for a further period of not more than ten years, with the obligation of maintaining all such construction in good condition and of leaving it finally for the State benefit.

The lessee shall be under an obligation to observe all provisions relating to the exploitation of the forests, the cutting of the palms, fruit-bearing and other trees; he must also pay due respect to all sanitary requirements and keep in repair all buildings, fences, etc.

He will be expected also to fulfil all obligations as to payment of what is due from him for the seeds and the ungathered fruit which he finds on the land at the beginning of his tenancy.

The rent of the rural lands must be paid by annual instalments in advance. As pledges for the first payment as well as for the payment of the seeds and ungathered fruit the deposit made subsequently to the auction is taken, and the surplus, if any, is restored, as also the deposits made by the other bidders, as soon as the lands are finally adjudged.

R. F.

FRANCE

New Basis for Leases in Stockbreeding and Fattening Districts. —

From a paper read by M. ALFRED MASSÉ, at the Académie d'Agriculture de France at the meeting of 25 November 1924.

In the districts where tenant-farming is the rule, rents have risen considerably during the last few years. The method of calculating rent has however been such that the landowner is now drawing from his land an income which, taking into account the depreciation of the franc, is markedly below his pre-war income. The tenant who takes a farm on lease cannot, by the very nature of farming conditions, make a short term contract. The duration of the lease is regulated by the conditions of cultivation, and as the three year rotation of crops is usually followed, the leases are assigned for 3, 6, 9 or 12 years. Since in so long a period there may be a complete change in economic conditions, tenants and

landowners are in agreement in endeavouring to find new forms for leases which should safeguard both parties equally against the contingency of an increase or diminution in values. For this purpose, the price of agricultural products compared with the pre-war price is taken as a basis, as every fluctuation in either direction must involve an increase or a decrease in the rent. It is however clear that, in fixing such a scale, it is impossible to take all agricultural products into account as this would inevitably give rise to difficulties and would complicate the problem indefinitely. For practical purposes, it is important that the basis should be simple and the calculation easy to make. Hence wheat as the principal agricultural product claims first consideration. By taking into account the market price of wheat before the War and at the present time, a kind of sliding scale has been established over a large part of France involving automatically the raising or lowering of rent, according to the rise or fall in the price of wheat. But while it is possible and natural to take the price of wheat as the basis of calculation in certain regions of France where practically the whole area of the farms is under tillage and wheat is in consequence the main agricultural product, this is not universally the case. In the districts where stockbreeding and fattening is carried on, arable land forms only a part of the area of the farms. Consequently the price of wheat cannot be taken as a basis and while applying the same principle, another factor must be found. In the Central part of France, and especially in Nivernais, it is considered that the price of live stock as fixed by the official market quotations should be the basis. According to M. Alfred Massé, the following formula is used for raising or reducing the rent according to the rise or fall of prices. The landowner and tenant agree to fix a rent which represents the true letting value of the property at the time when the terms of the lease are agreed. This rent is higher than the pre-war rent, and the difference between the two is calculated and then regarded as corresponding to the increase which has taken place in the market price. This increase is then ascertained and it is then easy, by dividing the increase in the rent by the difference between the pre-war market prices and the present prices, to calculate to what sum in the new rent a rise of a franc in the market prices corresponds. M. Alfred Massé takes as example a property rented at 12,000 francs before the War, and rented in May 1924 at 30,000 francs, the difference in rent being thus 18,000 francs. On the other hand, the average market price of cattle which before the war was 90 francs per 100 kilogrammes had risen in May 1924 to 375 francs, the increase thus being 285 francs. Dividing 18,000 by 285, the increase of a franc in the market price is seen to correspond to an increase of 63.157 francs in the rent. It is agreed that every year, at dates fixed in the lease and corresponding with the dates when rents are due, the market prices of live stock shall be ascertained and the rent due for the past half-year fixed by adding to or subtracting from the rent figure entered in the lease a sum of 63.157 francs for every franc by which the price of stock has gone up or down. As however the fluctuation of a franc more or less makes only a trifling difference in the rent, there is a further understanding that the rent will only vary when there is a fairly considerable

fluctuation, for example, 20 to 25 francs per 100 kilogrammes of live weight. In this way the tenants are secured against the precarious position to which a drop in prices might reduce them, and therefore are prepared to take up leases for 3, 6, 9 or 12 years. The formula also provides the landlord on his side with a guarantee against a possible fall in the intrinsic value of the franc which could not fail to have as a natural complement a rise in prices.

It may be added that M. Descours Desacres in the course of the same meeting informed the Académie d'Agriculture de France, that in the department of Calvados, which is a stockbreeding district, another basis for estimating rents has been devised. In the case of a farm where stock breeding is carried on exclusively, the tenant before the War used to pay a rent equivalent to the value of five or six one year old calves. At the present time the tenant transfers to the landlord this number of live animals. The rent thus automatically keeps pace with the increase in the value of stock and if the value has doubled or trebled since the War, there is an exactly equivalent rise in rent. M. B.

GERMANY

The Revaluation of Charges on Land. — *Die Sparkasse*, Nos. 1,144, 1,145, 1,150, 1,156, 1,157, 1,161. Berlin, 21 and 28 February, 3 April, 15 and 22 May, 19 June 1924. — *Der Badische Bauer*, No. 22. Freiburg, 31 May 1924. — *Technik und Wirtschaft*, No. 3. Berlin, March 1924.

Up to the year 1923 the basic formula, mark = mark, held good in respect of the extinction of mortgages and other liabilities. When however the questions of mortgages and pledges at stabilized values arose, there was a considerable increase in the number of requests for revaluation of the pledges the value of which had been depreciated by inflation. Some tentative efforts were made to establish a legal distinction between the gold and the paper mark, and to make good the loss incurred by the creditor on repayment of mortgages and on payments of rents and other dues. An attempt was thus made to restore, as far as possible, the equivalence that had been destroyed between the purchasing power of the money lent and that of the sum taken in repayment.

In 1923 the legislation relating to taxation took into account in the same way the change in money values; thus, for example, in fixing the increase in taxable values in land sale transactions, it was made obligatory to adopt as basic unit the purchasing power of the mark at the time of the purchase and sale, or in accordance with a special Decree of 18 October 1923 on the fixing of taxes to make the adjustments necessary in view of actual conditions by means of special provisions.

The ruling of the Supreme Court of the *Reich* of 28 November 1923 was however decisive. By this ruling the question of revaluation was settled on the lines that first and foremost account must be taken of the value of the land and of the debtor's financial position, and that it was essential to decide each case on its merits. Thus the earlier principle

was abandoned in accordance with which obligations contracted on landed property in money at full value could be paid in paper marks at face value. This decision of the Supreme Court did not however lay down any general rules for revaluation, but merely indicated its possibility.

The problem was thus still somewhat obscure, especially when a number of other persons, who were also anxious to obtain revaluations, had to be reckoned with, in addition to the original mortgagees. It was of importance to lenders and borrowers alike to know whether revaluation would take place and in what way, and in particular if all credits would be revalued for all creditors. This question it was the intention of the Decree of 14 February 1924 to decide. Instead of leaving it to the decision of the court, the decree contained special provisions relating to the applications and the amount of the revaluation in question, and to the payments and the method of reckoning interest on the sums revalued.

On the basis of the decree revaluations may take place in the following cases: mortgages, liabilities on landed property, liabilities on crop returns, land charges, credit guaranteed by mortgages, such as mortgage notes (*Pfandbriefe*) and crop notes (*Rentenbriefe*), promissory notes, capital sums deposited at the public savings banks and life insurance policies. Except for deposits made at the savings banks, the charges to be revalued were to be treated as loans on long term credit guarantees by seizable property. Hence the liabilities in the sphere of land credit which are considered as being the most secure, are the chief object of the decree.

The mortgage liabilities referred to must be of a date earlier than the decree and must not have been increased before 31 October 1923. The liabilities previously extinguished may only be taken into consideration when repayment has taken place under reserve. The revaluation extends to the quotas of amortization already paid.

As regards the percentage rate of revaluation all attempt at grading or classification has been abandoned, and the rate has been fixed in all cases and without any distinction at 15 per cent. of the value of the liability in gold marks. In dealing with liabilities of a date previous to 1 January 1918 the gold mark value is taken equal to their nominal value. Hence up to that date all demands for payment are to be taken at full value. A mortgage of 10,000 marks, which in 1924 still stood at the same sum, when it came to be revalued would now be repayable with 1500 gold marks. In the case of liabilities contracted later than 1 January 1918, the gold value is taken to be the value in gold marks reckoned at the official dollar rate on the Berlin Exchange. A mortgage loan of 100,000 marks, concluded in 1922 with the dollar exchange at 400 marks and accordingly representing a sum of 250 dollars, *i. e.*, of 10,500 gold marks, should be revalued on the basis of this value in gold marks. It is understood that for registered mortgages the dollar exchange on the day of issue is to be taken, for other operations on the day of purchase. But though revaluation is fixed at 15 per cent., there is no security that the creditors will actually receive the 15 per cent. in gold as legally fixed. This particularly applies to the case of debentures and

bonds of the land credit institutions and of the *Rentenbanken* which as intermediate credit organizations can only effectively allow revaluation if and so far as they are themselves in a position to demand revaluation from their own borrowers. The position of these institutions is not that of the borrower who is a landowner and can offer revaluation as being in possession of property with a real value. The total of the actual revaluation in the case of these institutions is always commensurate with the so-called total of divisible assets made up of the revaluation values of the assets that can be revalued, and possibly of some part of the amount of the owned capital. Since the institutions referred to cannot demand till 1932 the payment of the amount of the revaluation in respect of their mortgages, they cannot, prior to that date, make any apportionment of their aggregate assets. The definitive scheme of apportionment can only be drawn up after this period has expired. Revaluation of the deposits at the public savings banks is in a similar position. In this case also the percentage for revaluation must be fixed on the total to be apportioned even if the guarantor federations, which took part in the establishment of the savings banks and assumed responsibility for them, have pledged themselves to provide means for the revaluation.

The payment of revalued capital sums cannot be demanded before 1 January 1932. Up to that date the liabilities accumulate interest which is fixed for 1925 at 2 per cent. In the three following years the interest increases one per cent. per annum, up to a maximum of 5 per cent. when it remains stationary. These methods of procedure in regard to rates of interest and payment, which presuppose a lapse of eight years before revaluation takes place, obviate any prejudicial effects on the capitalist money market. If a debtor is not in a position to pay the sum shown in the revaluation he may present a request for reduction accompanied by a statement of the grounds of his inability. Notifications must be addressed up to 31 December 1924 to the appropriate office.

The second decree, dated 24 May 1924, relating to the execution of revaluations, declares the courts to be competent bodies. No appeal can be made against their decisions.

The provisions of this decree exclude from revaluation all short term credits, such as bank overdrafts and maintenance grants made by public bodies to minors, disabled or aged persons.

These can be revalued as in the past by magistrates, according to principles of equity. Cases regulated by special laws, decisions, agreements, and cases in which there was a special clause referring to the acceptance of the mortgage value, are similarly excluded. When the value of a credit operation has not depreciated below 15 per cent. of the original gold value, revaluation cannot be considered on the basis of this decree. The question of legal revaluation cannot arise in the case of agricultural co-operative societies which for the most part grant personal credit on short terms. Even in the cases in which these societies granted longer term credit on real property, such loans had been with rare exceptions already refunded before the decree came into force. Since the societies

have no assets that can be revalued, the revaluation of their liabilities, that is of their deposits, is not possible.

The case is different if the Central Bank proceeds to the revaluation of deposits, as has for instance been done by the Federation of the Co-operative Societies of the Baden Peasants' Union. The Central Bank of this Federation proposed to revalue all the deposits, not yet withdrawn on 31 December 1923, at 25 per cent. of the gold value. In this case also the revalued sums are not repaid *in toto* at once, but in instalments, beginning from 1924, at the rate of one-tenth at the end of each year. Hence the payment of this sum is spread over ten years, thus making it impossible to have any sudden withdrawal of the sum revalued. The rate of interest is fixed on the basis of that established by the Order for revaluations.

F. J. R.

HOLLAND

The Problem of Tenancy. — *Officieel Orgaan van den algemeenen Nederl. Zuivelbond*, Nos. 930, 932 to 937. The Hague, 23 January, 6, 13, 20 and 27 February, 5 and 12 March 1924. — *De Veldbode*, Nos. 1,097 to 1,102. Maastricht, 12, 19 and 26 January, 2, 9 and 16 February 1924. — *In- en Uitvoer*, Nos. 10 to 12. Amsterdam, 5, 12, 19 March 1924.

A Royal Decree of 12 March 1919 established a State Commission of Enquiry into the problem of tenancy in Holland. This Commission was instructed to ascertain in the first place whether the exceptional circumstances of the time called for any special enactments designed to prevent the raising of rents, and whether any modification of the Civil Code was required, in so far as it relates to questions of tenancy. At the same time the Commission was required to suggest proposals for any necessary modification of the Code on the basis of their investigations, and to prepare recommendations in detail on lines calculated to bring about a satisfactory solution of the problem.

The Commission accordingly took into consideration the various forms of tenancy customary in Holland and elsewhere, devoting particular attention to the economic and social effects of tenancy legislation in other countries. Tenancies based on rent whether in money or in kind, produce-sharing tenancies and mixed tenancies, each became the subject of separate investigation. The two first of these are practically the only forms adopted in Holland; as regards the two latter, there are signs of a tendency to introduce some kind of compromise calculated to relieve the pressure of the rent tenancies in which the whole risks of the farming and marketing fall upon the tenant.

Since the primary cause of the unsatisfactory conditions of tenancy lies in the disproportion between supply and demand as regards land for renting and in the resulting economically stronger position of the lessor, every endeavour is being made to find ways of strengthening the position of the weaker party. In this connection careful consideration is being given to proposals for establishing a legal claim to extension of lease and

for refunding the cost of special improvements and investments of capital made by the tenants. As regards rent fixing, any arbitrary system or official intervention is strongly deprecated, and satisfactory settlement of this question is left to the organizations to be set up on the private initiative of both parties. It is the view of the Commission that any compulsory rent fixing is likely to be seriously prejudicial to the possibility of improvement or intensification of the cultivation whether by the tenant or the lessor, and at the same time involves a complication of the mutual relations. On this point as on others the Commission maintains its attitude of opposition to legally binding regulations or official intervention, declaring such procedure to be prejudicial to the natural development of the system of tenancy, especially as it runs counter to the general sense of economy and justice. By encouraging the introduction of private initiative, it is possible to avoid the necessity for setting up bureaucratic machinery, which even in less important matters is still very readily open to outside influences.

The problem of the mixed form of lease with a sliding scale of money rents and that of produce sharing are handled very cautiously. This is a type of agreement which has up to now been hardly adopted at all in Holland, so that it did not seem expedient either to encourage or to check its natural development by premature legislative regulation. Considerable latitude is left to the parties concerned as regards an extended use of this form of tenancy agreement.

In particular the advantage of the division of risks is recognized in connection with the mixed form of tenancy. Both parties, lessee and lessor, are in certain contingencies and crises liable to share alike in the difficulties which arise through no fault of either, and in gains to which neither side has done anything to secure. The mutual relationship assumes a different character as a result of this closer bond. The landowner is no longer forced to accept as tenant the highest bidder, who does not always make the best use of the land either in the general interest or in that of the lessor; on the contrary the strength of the position as regards tenancy is now rather with the lessor than with the highest bidder. The tenant also settles down more satisfactorily on his holding, and runs less risk of having to give up the farm when the lease expires.

It is understood that the rent varies with the market price of certain products or is regulated according to the average prices paid by the industries which handle these products. In the view of the Commission these products, as well as the terms for fixing and reckoning the rent, should be entered in the tenancy agreement, which should be in writing.

Farms with a homogenous system of cultivation may be considered as suitable for the application of the mixed form of tenancy, since it is in the case of such holdings that the risks of farming markedly increase as the prices of agricultural products fall. In the event of a coincidence of poor crops and high prices a claim for remission of rent on the part of the tenant may be allowed. In so far as the return depends on his personal capacity he is expected to meet the losses himself, but if external factors have been at work, reduction in the rent may be made.

In contradistinction to simple payment of the rent in money, the pro-

duce sharing agreement, by the terms of which a suitable share of the gross returns in crops is handed over as rent, implies a division of the farming risk between the parties. Since, however, with the surrender of this share in the gross returns, the tenant is inevitably giving up some part of the gains resulting from his use of new farming methods or from his increased expenditure in labour, it is readily intelligible, on psychological grounds, that he will soon feel such a reluctance to the expenditure of capital and labour, as may prove a real hindrance to scientific or intensive farming. Cases may arise where there may be a large increase in the gross returns, without any noticeable excess over the costs of production, so that not only is the net return absorbed by the larger rent in kind, but the actual result may involve a loss to the tenant.

Although the Commission of Enquiry admits that this form of tenancy has many advantages, the conclusion reached is that in the case of the average sized and large farms of Holland, where the purely commercial relation is more pronounced, the application of the share tenancy system is difficult and in fact almost impossible seeing that the essential intimate relations between the landowner and tenant in the methods of farming and farm management are completely absent. It is therefore considered inexpedient to recommend legislation in respect to this form of tenancy, though there are certain obvious openings for its introduction. Since the system is still quite unfamiliar in Holland it is required that the agreement be in writing.

The Commission recognize that the best guarantee for the improvement of tenancy relationships lies in the Tenancy Commissions shortly to be established based on the mutual consent of both parties. In this connection the Enquiry Commission finds itself confronted by unofficial organizations of the kind which are already in existence in various parts of the country. For example in Friesland has been in existence for several years the Tenancy Bureau of the Friesian Agricultural Society, which has exercised advisory functions with regard to questions of tenancy in respect of rent fixing, the drafting of leases, etc. As such Bureaux had no legal standing, they could not develop along really valuable lines. They had no judicial powers such as it is intended to give to the new Tenancy Commissions which are to be instituted for the different agricultural districts with special powers of jurisdiction.

It is proposed to set up in each province one or more Tenancy Commissions, who will give opinions and judgements. Apart from ordinary legal process, but without prejudice to the purely legal obligations on either side, decisions in all cases of dispute in respect of tenancy agreements are to rest with these Commissions. On request of the parties the Commission is to act as arbitrator, and in the event of the death of a lessee will decide whether the tenancy is to be continued or terminated. In addition on the request of the parties it will give binding decisions as to the ratification or extension of the terms of the tenancy, issue instructions on the drawing up of leases, or draw up model forms of lease on its own account. The right of publication of decisions of the Tenancy Commissions is strictly reserved. Public opinion is to be influenced partly through

such publication, and partly by means of a skilfully devised propaganda, and the general feeling would be against any lessors who fixed the terms of tenancy higher than the Tenancy Commission had pronounced to be fair and reasonable.

In addition to the provincial Tenancy Commissions provision is made for a Central Tenancy Commission. This body is composed of the chairmen of the provincial Commissions and its functions are to collect the pleas for the separate Commissions, and to consider legislation, so far as it concerns the Commissions, in its practical aspects.

The local Tenancy Commissions are to be composed of a legal expert as chairman, and at least four assessors, of whom two must be lessees and two lessors. In accordance with the recommendation of the Commission of Enquiry nomination of these members is to be made with the approval of the agricultural organizations and of the official committees of the different provincial authorities.

F. J. R.

SPAIN

Reorganization and Work of the Central Council for Land Settlement and Repopulation of Spain. — JUNTA CENTRAL DE COLONIZACIÓN Y REPOBLACIÓN INTERIOR : SUCINTA INFORMACIÓN DE LAS COLONIAS AGRÍCOLAS INSTALADAS Y EN PERÍODO DE ESTABLECIMIENTO O ESTUDIO. Madrid, 1924. — REAL ORDEN APROBANDO CON CARÁCTER PROVISIONAL LAS REGLAS QUE SE PUBLICAN PARA EL RÉGIMEN DE LAS ASOCIACIONES COOPERATIVAS DE POSEEDORES DE PARCELAS PROVENIENTES DE LA DIVISIÓN DE PREDIOS PRIVADOS, 4 DE FEBRERO DE 1921 *Gaceta de Madrid*, No 41 Madrid, 10 February 1921. — REAL ORDEN SOBRE COLONIAS AGRÍCOLAS Y FIJANDO EL PLAZO EN QUE TERMINAN LOS BENEFICIOS DE EXENCIÓN QUE LES CONCEDE LA LEY DE 30 DE AGOSTO DE 1907, 25 DE ENERO DE 1924 *Gaceta de Madrid*, No 39 Madrid, 8 February 1924. — REAL DECRETO RELATIVO A LA REORGANIZACIÓN DE LA JUNTA CENTRAL DE COLONIZACIÓN Y REPOBLACIÓN INTERIOR, 15 DE SEPTIEMBRE DE 1924. *Gaceta de Madrid*, 16 September, 1924. — *El Progreso Agrícola y Pecuuario*, No 1,360. Madrid, 30 September 1924.

A report presented by the Central Council for Land Settlement and Repopulation of Spain to the Ghent Exhibition of Co-operation and of Social Institutions in 1924 contained the information which is reproduced here as regards the most recent application of the Law of 30 August 1907 and of the Regulations of 23 October 1918 on the facilities offered to the land settlement undertakings in Spain. An account has been already given of these measures in the *International Review of Agricultural Economics* of June 1920.

In the first place it may be noted that by the terms of the law, the Council which is responsible for giving it effect proceeds to the division into lots of the public lands and forests to be colonized and organizes the settlers into co-operative associations for all purposes of co-operation and mutual assistance. At the end of the first five years after the settlers

are established on the land, they receive from the Council their titles to the land, after which they are liable for the payment of land tax, according to the terms of the Royal Ordinance of 25 January 1924.

The composition of the Council was modified by the Royal Decree of 15 September 1924, which orders that, with the object of encouraging a close connexion between the Council and the agricultural organizations, actual representatives of agriculturists are to form part of the new Council. Four members will henceforth be elected for eight years by the legally constituted agricultural and stockbreeding institutions, according to procedure to be defined by instructions of the Minister of Labour, Trade and Industry.

In addition to the elected members, the Council includes the Under-Secretary of Labour, Trade and Industry and the Director General of Agriculture and Forests as *ex-officio* members, two technicians appointed by the Higher Council of Labour as experts on questions relating to agricultural settlement, two agricultural and two forestry experts. The President must be an agriculturist chosen by the Government from among those most distinguished for their social activities and in particular as having formed settlement plots on their estates.

The Council has on several occasions pointed out to the Government that the law is inadequate and has made recommendations for its amendment on the lines of the establishment of small holdings, these proposals being embodied in four bills introduced into the Cortes in the years 1911, 1914 and 1921 but without result. It has however been successful in establishing six colonies in Andalusia, three in Estremadura and Mancha, four in Levante and four others in different regions, *viz.*, Madrid, Burgos, Leon and Pontevedra. At the present time a further six colonies are being planned and the land assigned.

As regards the problem of the colonization of private estates, which is treated in the proposals and legislative schemes above mentioned, reference should be made to a preliminary step which has been taken by the Decree of 24 May 1919, which orders that the purchasers of lots and parcels arising out of the voluntary division of lands privately owned shall be empowered to form a co-operative association in the way prescribed by article 8 of the law already quoted of 30 August 1907 for the colonization of the public lands, under the direction and patronage of the Central Council. Each of these associations may be placed by the Council on an equal footing — on such terms as it may think fit to fix — with the obligatory associations prescribed by the law, in so far as regards credit subsidies and the guarantees for the repayment to the State of the advances required.

Regulations and instructions approved by Royal Ordinance of 4 February 1921 were issued by the Ministry of Labour for giving effect to this Decree. The instructions contain rules for the organization of the associations among the purchasers of the lots, for the grant of loans, improvement and exploitation schemes, the construction of communal buildings, etc.

E. F.

Miscellaneous Questions.

ITALY

The Re-organization of the "Opera Nazionale per i Combattenti". —

REGIO DECRETO 31 DICEMBRE 1923, N. 3258 REGOLAMENTI CONCERNENTI L'OPERA NAZIONALE PER I COMBATTENTI. *Gazzetta Ufficiale del Regno d'Italia*, No. 84. Rome, 8 April 1924.

The *Opera Nazionale per i Combattenti*, which was established by the Lieutenantcy Decree of 10 December 1917, No. 1,970, makes provision for the moral, economic, financial and professional welfare of ex-service men, both officers and privates. It also by its policy takes part in the development of industrial, economic and social conditions, such as will enable the labour forces of the nation to achieve the highest degree of productivity. A recent decree has introduced far reaching modifications, the essence of which consists in a stricter definition of competence and a closer co-ordination between the means employed and the ends to be served combined with such modifications of rules and statutes as the experience obtained by the Society has shown to be desirable.

The *Opera* carried out three distinct lines of action, agricultural, social and financial. The object of the first is to secure landed property to be used for purposes of settlement and to be brought under cultivation. This property consists of (1) lands acquired by the *Opera*, (2) lands expropriated in its favour under special conditions. For the development of its agricultural policy the Society has also the enjoyment of lands leased to it in emphyteusis or held on long lease.

The *Opera* may also demand the transfer to itself of lands, for which improvement schemes must be undertaken or on which extensive changes in the methods of cultivation can be advantageously introduced, which are State property or belong to the provincial or communal authorities, lands belonging to religious and charitable and other public institutions, corporations or even to private owners.

Among the more important modifications introduced by the new regulations may be mentioned the abolition of the right of redemption by the owners of the lands to be assigned as the property of the *Opera*. This right of redemption of the expropriated lands represented an element of instability in all the agrarian policy of the Society and has gone far to neutralize its action.

As regards the grant of lands which can be immediately brought under cultivation with the technical and financial assistance of the *Opera*, it is laid down that such grants shall, provided satisfactory guarantees are forthcoming, be made to ex-service men who propose themselves to undertake the cultivation or to co-operative societies of agriculturists in which the majority of the members are ex-service men. The grants take the following forms: (a) temporary leases for the period required to carry out drainage schemes or schemes of agricultural improvement;

(b) renewable leases for purposes of land improvement: (c) leases for purposes of land improvement with the right to purchase: (d) the transfer of property subject to an obligation to carry out certain prescribed cultural changes within a given period.

In giving effect to the provisions of the regulations now under consideration and to the general or special legislation in favour of particular areas, the *Opera* encourages by means of its central and local organizations the establishment of farm colonies and new centres of population, addressing itself especially to ex-service land workers. It also favours the formation of agricultural co-operative societies and associations in which the majority of the members are ex-service men; it controls and supervizes the cultivation of lands and the carrying out of land improvements; at the same time it supports societies and institutions whose object is to form associations of cultivators for purchases and sales, insurance, the handling of agricultural produce and the carrying on of small subsidiary rural industries, and makes grants from its own funds for the purpose.

The *Opera* is authorized either directly or by utilizing other institutions to provide credit for its tenants for agricultural improvements and changes in the systems of cultivation, by making long term loans, and facilitates the distribution by duly authorized institutions of credit for working capital and also for the purchase of machinery, live stock, implements, etc., in favour of ex-service landworkers and landworkers' co-operative societies.

On its social side the *Opera*, in co-operation with the State and societies and associations which undertake educational work, and also with organizations of masters and workmen and business organizations, promotes the establishment of schools and continuation and apprenticeship courses for the purpose of developing and improving the technical and general education of the workers, especially from the point of view of the agricultural training of the ex-service peasants of the South and of the Islands.

By means of its financial powers, which remain substantially unchanged, the *Opera* supplies the requirements of its own property, and carries out all the forms of credit operations which are within its competence, especially in connection with agricultural credit. The new regulations also establish the right of the *Opera* to exercise by means of its officers and representatives the fullest control over the administration and technical work of the co-operative societies with which it has arranged any form of contract.

It is also very properly recognized that the *Opera* can best attain its ends by associating its own activities with those of other corporations, associations and societies, and that it may, where it is considered desirable, encourage the establishment of special groupings for the purpose.

G. C.

FARM HOUSEHOLD MANAGEMENT TRAVELLING SCHOOLS

AFTER-SCHOOL instruction in farm household management may be given under four quite distinct systems, namely by :

- (a) farm household management schools at fixed centres ;
- (b) farm household management travelling schools ;
- (c) seasonal or short courses in farm household management ;
- (d) farm women's clubs, discussion meetings, etc.

The farm household management travelling schools are the outcome of two institutions of different type, being either travelling schools of cookery with an extended syllabus or originating to a greater or less degree in dairy schools

§ 1. CONVERSION OF TRAVELLING SCHOOLS OF COOKERY INTO FARM HOUSEHOLD MANAGEMENT TRAVELLING SCHOOLS.

Instruction in general subjects by means of travelling schools has long been arranged in Scandinavian countries as a means of securing a minimum of general education to children belonging to districts where only a meagre educational provision is otherwise made. At the beginning of the present century, out of 438,907 school children in Finland, 192,832 received instruction in travelling classes (*Kiertokouluissa*). In 1877, there were in Sweden 11,157 public elementary schools, of two types, namely : 8,296 schools at fixed centres (*fasta folkskolor*), with 518,895 scholars, and 2,861 travelling schools (*flijtande folkskolor*) with 151,576 scholars. It was accordingly quite in accordance with the usual practice to arrange travelling classes in special subjects, such as cookery, for which a course of a few months, or even of a few weeks only, is all that is required. At the Fribourg International Congress in 1908, travelling classes in cookery and housewifery were reported from three provinces of Norway, the courses lasting for a week or a fortnight

in winter and especially intended to give instruction in the utilization of the farm produce. In Switzerland, twenty-one departmental general councils out of twenty-four had set up from one to four travelling household management schools, each holding from five to seven courses a year with an attendance at each of from fifteen to twenty girls. In Finland similar six-week courses have been organized ever since 1896 by the Association of Finnish Women (*Finsk Kvinnofoerening-Suomen Naisyhdistys*). In 1901, in Denmark, the training school "Ankerhus" at Soroe organized travelling classes subsidized by the agricultural associations, and two years later, the Danish Women's Association (*Dansk Kvinde-samfund*) opened further classes which were State-aided. The premises were found by the local branch of the Association, which also took steps to secure the attendance of students. The courses were held from September to April or May, and lasted as a rule for six months, the curriculum including cookery, the principles of nutrition and household accounts.

Similar provision has been admirably made in Scotland and in Germany. In Scotland the School of Cookery at Edinburgh organized a series of courses in practical cookery in a number of the surrounding villages, and everywhere the courses have been followed by hundreds of students with interest. In 1885 in the Grand Duchy of Baden, the *Frauenverein* of Baden, on the suggestion of the Grand-Duchess Louisa, organized travelling classes in household management. The first of these courses was inaugurated at Schopfheim the same year; the second at St. Catherine, near Mainau, in 1886; the third at Constance in 1887, and their number has increased from year to year. The classes are held for six to eight weeks, and include cookery, housewifery, ironing, hand-work, home nursing, etc.; they are intended for students about 17 years of age. The food prepared at the classes forms the meal for the students, who pay for it when possible, either in kind, that is with eggs, butter, milk, etc., or in cash. The classes are subsidized by grants from the State and the communes, and an examination is held at the close.

In Bavaria, after the War, there were more than 500 travelling schools, founded by public welfare associations. At the same date there were in Prussia 250 travelling rural household management schools at work, distributed among 243 districts. Of these 11 were in East Prussia, 3 in West Prussia, 21 in Brandenburg, 17 in

Pomerania, 34 in Posen, 37 in Silesia, 13 in Saxony, one in Schleswig-Holstein, one in Hohenzollern, 28 in Hanover, 52 in Westphalia, 21 in Hesse-Nassau, and 51 in the Rhine Province. The total number of courses held in 1912 was 817, including 638 of eight weeks, 103 lasting for a longer and 76 lasting for a shorter time. The attendance at these courses included 13,581 girls and women, or on an average 21.3 per course. Of the students, 7,192 (52.96 per cent.) belonged to peasant families, 2,725, or 20.06 per cent. to the families of persons engaged in rural industries, 2,041, or 15.03 per cent. to the families of rural artisans, and 1,623, or 11.95 per cent. to the families of officials, persons with private incomes, etc. The cost of upkeep was met in the following way:

Students' fees.	37.6 per cent.
Contributions by Districts	26.2 " "
" " the State	19.1 " "
" " the Provincial Authorities	5.5 " "
" " the Communal "	4.7 " "
" " women's associations	3.1 " "
" " private individuals	2.6 " "
" " Chambers of Agriculture	1.2 " "

The travelling classes of the Rhine Province served as a model which was followed by Luxembourg in 1899. Short courses of 25 lessons in cookery are held, attended by from 25 to 110 students, according to the locality, on an average 50 to 60, chiefly married women and older girls. The teachers are provided by the local organizations, and also the kitchen equipment; the commune provides the premises, and the heating and lighting, while the State is responsible for the payment of the staff.

Austria followed the lead of Germany in 1908 and in this year the Agricultural Society of Upper Austria established its travelling courses in cookery and housewifery. These courses might be organized by the municipalities, by associations, manufacturers, private persons, or by a committee specially appointed. The Agricultural Society provided a teacher and if necessary the travelling kitchen equipment and an oven.

The course is covered in six weeks and includes the following subjects: directions for the purchasing of food; the preparation of food; preservation of foodstuffs; the proper way to lay a table and serve a meal; washing of the premises, table china and linen;

method of noting recipes ; the estimation of the cost price of the meals prepared ; housewifery, especially as regards the good quality of the food, the care of the various parts of the house, of the house linen and of clothes. Instruction is also given on request in mending and cutting out. As a rule the number of students is fixed at twelve. From 1912 the Society employed 12 instructresses and held 72 courses, attended by nearly 1,000 students. At the same time there were six travelling schools of household management in Hungary, and in 1913 schemes for the establishment of six additional schools were under consideration and it was the intention of the Government to set up from 50 to 60 throughout the country.

In Switzerland travelling cookery courses lasting for a fortnight were the first step in household management instruction. The duration of the courses was subsequently extended and more subjects of instruction were covered. Thus in the Canton of Ticino, the classes are held for two months and include cookery, household science, hygiene, household accounts, horticulture and gardening, sick nursing.

The Ticino course in January 1908 provided the first instructress for Italy. She was summoned by the Committee of the Bergamo Manufacturing Firms Society for the Establishment of Schools of Household Science, which provides its travelling schools with a full equipment, even including a sewing machine. The instruction lasts for forty days, from 8 a. m. to 4 p. m., and is given, as in Ticino, to a dozen students at once. When all the teaching is in the hands of one person, the school is only open for the half day, so that the mistress may be free to visit the homes and introduce a few ideas on hygiene. The teaching is often divided between two mistresses, one remaining in the schools and the other undertaking the propaganda in the homes. These gallant women with an admirable tact and patience go so far as to cook the meal in the cottages where they are welcomed.

In Holland as early as 1908 a public utility society, *Maatschappij tot Nut van het Algemeen*, established a travelling cookery class, for the purpose of giving instruction in cooking by means of a six weeks course in districts where there were no household management schools. Serbia also had, just before the War in 1914, travelling courses of two or three months. In 1919 there were in Czechoslovakia twelve seasonal travelling household management schools, with courses lasting three months.

§. 2. RURAL HOUSEHOLD MANAGEMENT TRAVELLING SCHOOLS
DEVELOPED FROM DAIRY SCHOOLS.

In Belgium the opening in 1890 of the first travelling schools was rather the outcome of circumstances than design. The Belgian Government sent a mistress to the Coëtlogen Dairy School in France, and then to Holland, and afterwards put her in charge of a central dairy school for girls. As this school was not a success, temporary travelling dairy schools were instituted, moving on every three months. The instruction given in these schools consisted mainly in classes and practical work in dairying, cheese-making and book-keeping, and in the teaching of the elementary principles of agriculture, horticulture, care of live stock, etc. This programme was effectively extended as from the school year 1898-99, so that the travelling dairy schools (*écoles volantes de laiterie*) have been able with good reason to change their title to that of travelling schools of farm household management (*écoles ménagères agricoles ambulantes*) remaining four months in the same locality.

According to the reports of the agricultural experts and women advisors who direct this instruction, the travelling schools are warmly welcomed everywhere by the rural population. This reception is due to the essentially practical character of the instruction combined with as complete a demonstration as possible of all that is essential for a housewife in her household and farm: feeding, household science, housekeeping, agriculture, horticulture, knowledge and care of stock, dairying, breeding of small animals. The 18 schools that are at present at work have held altogether 120 sessions of four months in the course of the three-year period 1921-23, which is on an average more than two sessions of four months per school and per annum. If there is deducted from the four remaining months the month of regular holiday allowed to the instructresses and the time necessary for the organization of shortened courses, for moving and the rearrangement of apparatus, furniture, etc., some weeks are left which the teaching staff devote to giving abridged courses in the localities where, for different reasons, a longer course cannot be organized immediately.

An average of 15 students a session have been in attendance, and 1,429 leaving certificates have been granted. In some districts

near towns or where some industry or factory employs female labour, the attendance tends to be less regular, but there is little irregularity where the really agricultural population is concerned, although the seasonal work sometimes affects attendance or delays enrolment.

In France the first official travelling school of household management was established on 5 December 1905 in the Department of the Nord, on the same lines as the experiment in Belgium. The General Council of the Pas-de-Calais voted in 1906 for the institution of a similar school, and that of Oise was opened in 1907. There followed the schools of Seine-Inférieure, of Haute-Marne and of Puy-de-Dôme in 1908, those of Isère, Deux-Sèvres and Haute Loire in 1909, and in that year the Department of the Nord opened a second, and so on. In 1924 there were 44 recognized household management travelling schools, with numbers on the books of from 50 to 100, 150 and even 200 students over 15 years of age. It may be added that these figures do not include the schools which are the result of private enterprise. The earliest in date of these seems to be the *cours ménager volant* organized from September 1905 in the area of the Agricultural Syndicate of Champagne. In Lozère, the travelling courses founded by the Comtesse de Las Cases were attended from 1907 to 1914 by 765 students belonging to 43 cantons or communes; the length of these courses was two months and a half.

§ 3. GENERAL ARRANGEMENTS OF PREMISES, ETC., FOR THE CLASSES.

The travelling school of household management is essentially intended for villages with scattered populations, and at some distance from each other, where the women take an active part from an early age in the cultivation of the fields, and where the institution of a permanent centre for such instruction is practically out of the question. The curriculum of the ordinary school should no doubt include household science. But, as the Comtesse de Keranflec'h-Kernezne remarks, "when the irregularity of the school attendance, the want of interest on the part of the parents, the natural laziness of the child are all taken into account, one may well ask what can be left in the mind of a girl of thirteen of the rudiments of such knowledge, swamped, so to speak, among elementary ideas

of history, arithmetic and drawing, neither fully understood nor properly digested. The unlucky truth is that she knows nothing at all and is as ill prepared as it is possible to be for her daily task. The travelling school of housewifery has been devised for the purpose of helping these girls whose ignorance and lack of equipment of every kind give them a special claim on our attention."

It may be added that the travelling school has certain advantages over the weekly lessons which constitute a permanent course. Experience shows that these advantages are considerable as was pointed out by Mlle. Zehnder, of Saint-Gall, to the Fribourg Congress in 1908. In her opinion, the travelling classes give the best results because :

1. the instruction is more intensive and more continuous;
2. they better represent the actual conditions of the work of the housewife, and they leave the evening free for other duties;
3. they can be dropped in any season when there are not enough students, which is impracticable with a regular course;
4. their cost is less;
5. the instructresses quickly gain a great deal of experience by which the pupils profit.

There is no disputing these advantages provided the organization of the schools is well understood.

A travelling school may be instituted on the application either of a municipality, or of an agricultural society or of a private individual, or of an instructress acting on her own initiative.

In Belgium the managing body of the school in conjunction with the chairmen of the agricultural societies, the communal administrations, the farm women's clubs, etc., settle the question of the places where it is desirable to open a school. They must first ascertain that convenient premises are available. These premises must at least include a classroom, a kitchen, a room for setting up the dairy equipment, a cellar or larder for the food, and, if possible, one where the cheeses can be set to ripen. Lectures are given, in advance of the institution of the classes, to farmers and to the farm women of the locality explaining the benefit to be derived from rural household management instruction. It is advisable that the authorities who make application for the school should have an agreement with the farmers of the commune to deliver 125 to 200 litres of milk, three times a week. Products and by-products will be returned to the milk-suppliers.

In France in accordance with articles 35 and 36 of the Law of 2 August 1918 on the organization of public vocational instruction in agriculture, every municipality or agricultural association applying for the services of a travelling school of household management must guarantee that the minimum number of students over 15 years of age will be forthcoming as fixed by ministerial decree. The premises, the school furniture and the cost of lighting and heating must also be guaranteed.

In the Grand Duchy of Baden, there is a special school at Karlsruhe, for the training of instructresses, and when one of these wishes to start a class, she informs the branch of the *Frauenverein* at the place which she intends to visit. This association immediately supplies her with all information on the needs of the locality, its customs and its good or bad characteristics.

The members of the association and the lecturer take all these points into consideration and decide on the syllabus and the length of the course; any modification which the mistress wishes subsequently to make in the syllabus has to be once again submitted to the Committee. The equipment required is lent by the Committee who send it to the place where the classes are to be held.

The experience of the Grand Duchy of Baden, as well as that of the South Eastern Association of Agricultural Syndicates in France makes it possible to state that travelling classes founded by private initiative must be subordinate to a central organization to ensure general co-ordination and system. This central body may well be an agricultural syndicate or federation of syndicates and will direct the teachers to the different localities where the ground has been prepared by the local branches of the union. These local branches, which will consist of women who have some real influence with the young girls of the peasant families, will undertake

(a) to secure the enrolment of students;

(b) to give the teachers information on the needs and the customs of the locality, so that a suitable syllabus may be prepared;

(c) to find premises for the classes and to arrange for quite simple furnishing and equipment, the central organization only undertaking the forwarding of two or three boxes of material.

Sometimes makers of farm and farmhouse equipment are asked to establish a depot or showroom for their goods at the school, but this practice is not one to be recommended. In many cases there is a danger in encouraging girls to use apparatus which is unsuitable

in their case as being too dear or too complicated, whereas it would be wiser to teach them to make use of what they ordinarily find in their normal surroundings.

§ 4. MANAGEMENT AND TEACHING STAFF.

In a travelling school of household management with an extended syllabus, the teaching staff must include a responsible mistress and an assistant, the two mistresses dividing the courses of instruction between them. Lectures or demonstrations on specially selected subjects may, in addition, be given by special teachers. In the schools where the syllabus is a shortened one, all the instruction is in the hands of one mistress.

In Belgium the inspection of the travelling housewifery schools is carried out by a special staff of women inspectors, known as "Women Advisors on Farm Household Management." They are appointed by the Minister of Agriculture and their work is the promotion of economic and social progress in the country districts by diffusing among farm women the knowledge indispensable to them if they are to fulfil their calling as trainers of the young, housewives, and helpmeets to cultivators.

The Advisors carry on this work by means of the organization of consultations, of lectures, of farm associations, and by assisting in the organization of travelling schools of farm household management.

(a) *Consultations*. — If thought desirable, the Advisors put themselves at the disposal of the village housewives one day a week, in the commune where the Advisor has her headquarters. This is regarded as a standing engagement and the day coincides, whenever possible, with the holding of the most important local market. Notice of the day, hour and place where the Advisor may be consulted appears in the local agricultural papers. **E**

The Advisors also attend certain district markets and keep the rural housewives informed of their movements, by announcing through the medium of the local agricultural press, the day, hour and place where those concerned may find them for free consultation. At the expressed desire of the local housewives they may go to particular places and give advice on the spot.

(b) *Lectures*. — The Advisors give at least thirty lectures and demonstrations per quarter, and in planning them the import-

ance of the different places and their special needs are taken into account.

As regards details of organization, choice of subject, place, day and hour for the lectures, and advertizing arrangements, the communal authorities and the chairwomen of the farm women's clubs are consulted, and care is taken that all advertizing is adequate and timely.

The lectures are given at the town hall, or at some other building independent of any political party, and not used for the sale of alcoholic liquors, or as a wine store.

(c) *Agricultural Associations*. — It is part of the work of the Advisors to draw the attention of rural housewives to the advantages they would gain generally from any form of association and from farm women's clubs in particular, but they should merely consider the question in the abstract, and must take no part in the formation or working of the clubs. It is their business to supply to women who form or direct such groups any information they may require to enable them to achieve their ends quickly and effectively, and they may further this work by giving a series of lectures in the locality describing the proposed organization.

(d) *Organization of Rural Household Management Travelling Schools*. — The Advisors are expected to give their assistance in discovering the places where a course might usefully be held. They first ascertain if convenient premises are available for the classes. They may on occasion be called upon to take the place of a member of the teaching staff.

§ 5. STUDENTS.

The farm household management instruction is intended for girls who have just left the elementary school. It seems to be generally agreed in the different countries that the pupils who are most likely to benefit are girls of 14 or 15 years of age, because the general education received during their ordinary school life is still fresh in their minds and memories.

In principle, the number of pupils admitted must not be less than 14 or 15 nor more than 20 or 25. When more than 20 or 25 girls apply, on the day of the opening of the school a competitive examination in the subjects of the elementary school curriculum is held to decide who shall be admitted.

Every pupil must give a written engagement to follow the course regularly and to carry out all the practical work.

A leaving examination is held and a certificates of attendance and proficiency awarded.

§ 6. LENGTH OF THE COURSES.

The normal length of the session of a travelling housewifery school is three months, which means that the same school can have three sessions, the remainder of the time being taken up with moving and settling in, etc., as well as the time allowed for staff holidays. The length of the session may, however, be reduced or extended according to the requirements of the locality. The school may, when desirable, hold two consecutive sessions in the same place, and this occurs not uncommonly, the first session being so successful that the girls who did not join the classes are eager for the chance of profiting in their turn by the instruction in the subjects.

Sessions of reduced length, on the other hand, find their justification in the impossibility of securing, in many places, a regular attendance of more than six weeks. In fact, to quote Mme. de Keranflec'h-Kernezne again, "without dwelling on the objections, and even the more or less pronounced hostility of the parents, who still only very seldom grasp the value of the instruction for their daughters, it must in justice be recognized that the work of a girl of the age to follow with advantage the course of the travelling school, represents for them an asset of some importance or a loss of services, of which account must be taken in the farm budget... Another argument which should be weighed in favour of the six weeks' courses is that, however simple the course may be, and however well suitable for the requirements and capacities of the pupils it may be considered, it will demand of girls who are unaccustomed to any form of intellectual work a really severe mental effort, which must be almost forcibly evoked. To write out recipes, to keep accounts, to concentrate attention, to listen to what the mistress is saying, may be scarcely more than play for a child to whom the routine of work is familiar, but it involves very serious effort for the young peasant girl who can scarcely read, finds even greater difficulty in writing and knows nothing of spelling. There is a saturation point which cannot be passed without causing weariness of body and mind. In such a case it is better worth while

from the point of view of the mistress, and that of the future of this instruction in the district for her to leave amid a chorus of regrets and with the promise of a more or less speedy return, than to drag out the lessons for several weeks more, when interest and curiosity have begun to flag, and to see from day to day the number of the pupils diminish."

§ 7. SYLLABUS AND METHODS.

Whether the prototype of the travelling housewifery school is a travelling cookery school or a dairy school, its syllabus usually includes the following subjects: household science, cooking and preserving, sewing and cutting out, hygiene, care of children, book-keeping, dairying, butter and cheese making (according to local requirements), the elements of gardening and fruit-growing, poultry and rabbit keeping, etc., the care of live stock, elements of agriculture.

In practice the syllabus will always be carefully adapted to local needs, the success of the school being dependent upon the fulfilment of this condition. Thus in a district where the butter making industry is developed, lessons in dairying will be given, and in the care of the cattle, the stables and the pigstyes; elsewhere in the neighbourhood of a town, where market-gardening and vegetable-growing are carried on, instruction on the preserving of eggs and vegetables and their handling for purposes of sale, on the trussing and packing of fowls will be much appreciated and of real value.

There would be general agreement as to the inclusion of needlework in the syllabus of the travelling schools whenever the length of the course allows; but it is a delicate question whether the theory should be carried to the point of introducing a sewing-machine, as is done in North Italy. If it is merely a question of the diffusion of the use of the sewing machine in rural surroundings wherever the purchase of the machine is not too expensive, there is no reason for hesitation, as nothing ought to be omitted which can lighten a woman's domestic burdens and economize her time. If on the other hand the possibility of giving the girls the chance of increasing the family resources by supplementary earnings is contemplated, there is need for great care. Undoubtedly as a rule, machine work is more profitable than handwork but this is far from

being universally the case and the acquisition of a machine, which cannot be paid for in ready money, often proves a disastrous business for the woman who has thus committed herself. In any case, to avoid mischievous competition among the workwomen, it will be wise to oblige them to form a union or better still a co-operative society. It will often be really better, rather than expose the women to the only too frequent risk of exploitation, to teach them instead some minor handicraft which they can follow in their spare time and can carry out by co-operative methods.

The instruction includes lessons in theory and practical exercises, the latter being given in the morning and the theoretical course in the afternoon. The same mistress gives the instruction in theory and conducts the practical work.

Only pupils are admitted who live at a distance that makes it possible for them to come in the morning about 8 a. m. and to return home again by the evening after 4 p. m. Those who cannot go home for dinner are allowed to dine in school; they then share the mistresses' dinner and pay their part of the cost, or if they prefer they bring from home what is wanted for the preparation of their meal. At least once a week however all the pupils dine together in the middle of the day, themselves doing the marketing, cooking the dinner and sharing the expense.

Practical work goes on each day from 8.30 a. m. to 11.30 a. m.; the pupils are divided into sets; for example while some are occupied in household work, cleaning garments, mending, cutting out and washing, others are busy ironing or in working in the dairy or poultry yard.

Every morning, from 10 a. m. to 11.30 a. m. one set is in the kitchen preparing the meal for the mistresses and the pupils from distant villages.

In the afternoon from 1 p. m. to 1.30 p. m. a short course in cookery is taken; menus and recipes are dictated, or directions for the preparation of preserves of all kinds. From 1.30 p. m. to 3 p. m. there are lessons or rather talks on different subjects such as dairying, hygiene, treatment of cattle, agriculture and gardening, household science. From 3 to 4 p. m. needlework and cutting out are resumed.

Once a week, by preference on market day, if there is one in the district, the school is open to the public and the mistresses are ready to give all information to visitors both on the organization

as well as the different subjects of instruction. In Belgium the pupils with their mistresses make an excursion or a visit once a month to museums, exhibitions, factories, model farms, dairies, dressmaking workrooms, lacemaking workrooms, home training institutions, crèches, infant welfare centres, etc.

The following is the time-table of the school of Eure-et-Loir (France) :

Kind of work	Sets of girls	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Practical work from 8.30 to 11.30 a. m.	First	Taking in, checking and disposal of milk	Mending		Washing		
	Second	Work in connection with butter and cheese making	Ironing	as on Monday	Mending	as on Monday	Holiday
	Third	Cleaning and cooking	Poultry keeping		Sewing		
	Fourth	Washing and ironing	Making of preserves				
Theoretical course	Hours :		Personal hygiene	Agriculture and gardening	Dairying	Animal hygiene	
	2 to 3 p. m. 3.30 to 4.30 p. m.	Cutting out	Keeping of household accounts	Stock management and bee keeping	Needlework	Household science	Holiday

Is it better to make the pupils copy out the theory lessons in their own note-books, as is done in Switzerland, or, as in Belgium, to distribute short summaries made by the teacher? Everything depends on the educational attainments of the pupils. Where the girls are capable of transcribing the lessons satisfactorily, the former plan is the better and has the advantage of making it possible for the mistress to admit a larger number of students to the course ; she can in that case divide them into two groups, one copying

the lessons on the theory while the other group do practical work. On the other hand, in districts where there is a lower standard of education, it is necessary to give the pupils summaries ready written out. It should be added that the summary thus made by the teacher is superior to any, even the best, hand-book, as it is the only way of ensuring the complete adaptation of the lessons to the surroundings.

In Belgium a collection of objects illustrating the course is made by the teachers, with the pupils' help, with a view to impressing particular points on the girls' minds. These include simple remedies to be kept in the house, articles required in ironing, washing and cleaning, kinds of seeds, fertilizers, etc., food stuffs, diagrams, various utensils, old fashioned and modern, which are either to be recommended or otherwise. The cost of bringing together these collections is met by the school and they remain school property.

§ 8. BUDGET.

Before the War of 1914-18, the stability of currency values and the relative uniformity in prices made it comparatively easy to draw up an estimate and scheme for a travelling household management school; but this has now become an extremely difficult matter. It is however possible to quote here the approximate estimate for 1922 for a French school of the official type, as contained in the report of M. Grosjean, Honorary General Inspector of Agriculture, presented to the Third International Congress on Household Management Instruction:

The model budget of a travelling school with three month sessions must make provision for a responsible mistress and a lecturer or an assistant. The *average* salary of the mistress in charge is 5,500 francs, ranging from 5,000 to 10,000 francs according to the Department; the *average* salary of the lecturer or assistant is 4,475 francs.

In addition to the regular staff, there is a supplementary staff for special courses, including a lecturer on agriculture, a doctor, a veterinary, etc. The fee for their lectures or for examinations conducted by them is fixed at 10 or 12 francs; or at an hourly rate for lecture or practical work of 6 or 7 francs. The total expenditure for special courses and lectures may amount to 3,800 francs.

The moving of the school from place to place involves expenses for the removal of the equipment at the end of each session, trans-

port to another village and setting up in fresh premises ; 2,000 francs is assigned under this heading. Incidental expenses for the classes include : purchases of milk, of foodstuffs for the cookery courses, or for the course in preserving, laboratory products, etc. for which 3,800 francs should be allowed.

Hence a provisional estimate of 21,000 francs may be reckoned for each school.

It should be added that the French Government pays 75 per cent. of the cost ; hence its share is 14,700 francs and that of the Department 6,300 francs.

§ 9. THE "SEMAINES RURALES FÉMININES".

A form of instruction in household management which is still quite a novelty, but seems already to give excellent results, is one for which in France private initiative is responsible, and is known as the "*semaines rurales féminines*".

The "*semaine rurale féminine*" may be differently understood according to the end in view and the persons for whose benefit it is arranged :

(a) At times the material side of life only is considered, the object being to make better known certain scientific methods, or certain processes with which it is important that rural households should be familiar ; for example : 1. there may be a week of dairying, during which the treatment of milk, butter and cheese will be explained and practiced in view of all present ; 2. a week of poultry-keeping, during which all questions relating to the poultry-yard will be dealt with by specialists ; 3. the making of fruit and vegetable preserves ; ways of displaying and packing may also be objects of courses of this kind. In such a case the demonstrations are carried out in public in a hall lent by the commune and people come as they like. They are in fact object lessons organized with a vocational or commercial purpose by the agricultural associations or by the large railway companies or export firms, for whom it is important that the products of the farm should be delivered absolutely fresh and in good order.

(b) Another quite different form of the "*semaine rurale*" is the educational type, of which the purpose is not material profit but the training of judgement and character. The end in view is the formation of a special feminine type. "To teach girls how

they may best use their powers for the welfare, the happiness and the progress of their families, to develop their intelligence and instil a feeling for the non-material aspect of life, to enable them, in short, to fulfil better their part as mothers and child trainers", this as is well said by Mlle. de Boyer-Montégut, is the end in view.

At Toulouse, where the movement originated in 1918, at the end of the autumn of 1924, sixty girls from the neighbouring departments listened while the changes were rung on the idea: "My children will be better brought up in the country than elsewhere." The spiritual side of the duty of a mother and the awakening of the child mind was dwelt upon; the problems of physical and intellectual training were handled by physicians; a nurse gave practical lessons in the care of invalids and hygiene, while two other lecturers explained improvements in methods of cultivation and the growing of fruit-trees; a housekeeping section, including fixing an electric lamp, making a pâté de foie gras and the dressing of a rabbit skin, completed a programme which was followed throughout with the greatest interest. In Burgundy, to quote the account given by a girl who signs herself "*Une heureuse semainière*", 26 girls working on the land at Bussière-sur-Ouche found the "hitherto unknown treasure held in their fields and their hearts" (*trésor ignoré de leurs champs et de leurs cœurs*), as they listened for five days while their part in family life was described; in addition, a lecturer on agriculture dealt with egg production, the kitchen garden and pruning of trees, supplementing his lessons by varied films and explaining in passing a number of local traditions; a nurse gave a practical demonstration of child management, the baby's bath with a real baby, weighing, feeding by hand, care in early infancy... In Brittany, "*semaines*" were held in non-official housewifery schools at Tréguier with an attendance of 70, at Gouarec of 62, at Loudéas of 54 girls, and in each case were very successful.

§ 10. TRAVELLING SCHOOLS AND FARM WOMEN'S CLUBS.

Is there a future for the the travelling school? In Belgium undoubtedly there is, since as soon as a travelling school has passed on a farm women's club is immediately formed.

Mme. Haentjens-Deleu, an inspector of the Belgian farm household management schools, has given the following account

of the formation of permanent associations in the different places which have been visited by the travelling school:

"When a seasonal school is established in any place, the mistresses with the consent of the school director from time to time give a lecture to the parents of the pupils, who bring their friends and acquaintances to the meeting; in this way a proper appreciation of vocational agricultural education comes about and a number of people are brought together in an informal way who form the nucleus of a farm women's club. At the end of the course, the director of the school or one of the mistresses after consultation with the curé, the burgomaster or some other person of standing in the village, arranges a gathering to which all the farm women of the neighbourhood are invited. This reunion provides the opportunity for explaining the value of the clubs, drawing up the rules and definitely forming the association."

The club will meet three or four times a year. The women and girls thus brought together will receive instruction in the principles of dietetics, hygiene, household science, vegetable and flower growing, poultry-keeping, dairying, the proper arrangement and suitable decoration of the house, the training of children, etc. It will be a centre for organizing raffles for selected seeds of vegetables and flowers; eggs of good barnyard fowls or of table breeds, cooking utensils suitable for country use; butter-making and cheese-making equipment; sewing materials; plants for the farm garden or for house decoration; fruit trees, etc. Competitions will be organized in preparing dishes, various kinds of household work, in the growing of vegetables, flowers, fruit trees, etc.

As the subject of this article is not the farm women's clubs but the travelling housewifery schools, this brief reference must suffice, but attention may well be drawn to the valuable tendency of the travelling school to become the point of departure of a more stable organization.

MAURICE BEAUFRETON.

CASH TENANCY IN THE UNITED STATES.

IN the United States in 1920 farmers operating under cash (1) or other contracts that did not require the sharing of any of their products, numbered nearly 600,000. According to the Census of that year, there were eight States out of the 48 in which cash tenants, inclusively defined, were more numerous than tenants who were paying shares on either a part (2) or the whole of the acreage they rented (3).

Though in the minority among other types of tenant farmers (4) and though at low ebb in 1920 as compared with preceding Census dates, particularly 1910, 1900, and 1890, cash-tenant farmers nevertheless occupy a place of importance in American agriculture. Among other considerations, the importance of cash tenancy arises from its varieties and from the unusual availability of data as to the relation of valuations of cash-rented farms to the income landlords receive from them.

(1) In Census usage the term "cash" is applied to all forms of non-share tenancy, including, therefore, all cases in which the rent is a fixed amount of money, product, or labour, but "cash tenants proper" pay only money rent. The term "rent" is employed to cover both sharing and non-sharing tenancy in most parts of the United States. Restriction of the term "rent" to tenancy of the latter variety is a local practice in South Carolina and Georgia. See "The Agrarian Revolution in Georgia", by R. P. BROOKS, and the section below entitled, "Renting by Standing Renters". The types of tenancy included in this article would be understood in some countries to be covered by the term "rent-paying tenancy", but this term is not current in the United States.

(2) Where a tenant farm is comprised of real estate for some of which a share of the product is paid, the compensation for the balance being not a share, the Census terms it a share-cash tenant farm. As shown in Table IV, there were nearly 130,000 such tenants in 1920.

(3) See "The Share Renting of Farms in the United States", by H A TURNER, in the *International Review of Agricultural Economics* for October-December 1923

(4) In Figure 1 is shown for each state and Census date, 1880 to 1920, the percentage of all farms operated by tenants. This figure will also serve as an identification map for the 48 States.

§ 1. FARMSTEAD AND PERQUISITES AS RENTAL FACTORS.

Two distinctive kinds of real estate uses are obtained under a single farm contract between a landlord and a tenant. The contract rent, on the one hand, is a fee for grazing privileges and a payment for the use of fields and improvements that figure in raising crops and in caring for live stock. On the other hand, contract rent generally includes a compensation for a residence and farmstead tract and for a number of privileges. These items usually include the use of a part or the whole of an orchard, a garden plot, some acreage for potatoes or other crops for the tenant only, privileges in the use of fuel obtained from the premises, and privileges in the use of animals, pastures, barns, wells, feed, and other items for the private purposes of the tenant. All of these can be regarded as included under the phrase, "farmstead and perquisites". The former of these two classes of real estate usually contributes to commercial agriculture (1), the latter to subsistence agriculture.

While no thorough inquiry has been made into the relative proportion of real estate used for subsistence only, some light is thrown by the recent investigation by the Bureau of Agricultural Economics on the proportion of food purchased by farmers in various parts of the United States (2).

The percentage of the farm food supply produced on the farm ranged from 30.0 in Nevada to 72.4 in North Carolina, the average for the country as a whole being 60.3. It is clear that a considerable amount of real estate is used to supply the farmer's own table. To what extent the practice differs among operators in the various classes has not been ascertained on a nation-wide scale. Local surveys seem to indicate that tenants may raise a larger proportion of their living than do occupying owners, but no adequate data are available to show whether cash tenants differ from other tenants to any material extent in the same communities. In regions in which cash tenancy has been more prevalent, however, farm operators have raised a smaller proportion of their food supply than that raised by farm operators in the country as a whole.

(1) If the phrase "commercial agriculture" seems contradictory when each word is given a strict definition, it need not be so regarded as the word "commercial" is used here. Possibly "monetary", "pecuniary", or "non-subsistence" would be given preference by some purists to the word "commercial" as used in this article.

(2) See *Weather, Crops, and Markets*, 30 December 1922.

It is a fairly safe assumption that the proportion of real estate not used commercially is smaller in the case of farms entirely lacking in buildings than in the case of farms equipped for families to live upon them. In 1900, according to the Census, there were 201,926 farms without buildings in the United States. The majority of these (129,764) were tenant farms. According to Table I, which is based upon the data for that year, 4.8 per cent. of the cash tenant farms and 6.6 per cent. of the share-tenant farms were without buildings. The corresponding percentages for farms operated by persons who were not tenants were as follows: managers, 6.6; owners, 2.2; part owners, 1.5; and owners and tenants in co-operation, 1.3.

The percentage of cash-rented farms that were without buildings ranged from 1.8 in New Hampshire to 25.2 in Montana. Among share-rented farms the percentage without buildings ranged from 0.7 in New Hampshire to 15.6 in New Mexico. The percentage of farms without buildings was higher for share-rented farms than for cash-rented farms in two thirds of the States. Fifteen of the 18 States in which the percentage of farms without buildings was higher for cash-rented farms than for share-rented farms were in two bodies. One of these includes Idaho, Minnesota, Montana, North Dakota, South Dakota, Utah, and Wyoming. The other one includes Maine, New Hampshire, New York, New Jersey, Pennsylvania, Maryland, and Delaware.

In the former group of States a great deal of land was grazed by ranchmen, some of whom lived at a distance from the land they used for grazing. Cash rent is characteristic of land rented for grazing.

In the latter group of States the rented land that is nearest to cities is rather generally rented for cash.

Between 1900 and 1920, cash renting increased in 13 States. Four of these were in the New England division and six were among the 17 Western States. In these areas the proportion of rented farms with buildings was lower than in most other States. Moreover cash renting gave place to share renting most noticeably in States in which rented farms were most generally equipped with buildings. In 1920, therefore, it is probable that cash-rented farms were not so much more generally equipped with buildings as compared with share-rented farms as shown by the census of 1900. It is even possible that in recent years share-rented farms have been equipped with buildings in a no less large proportion of cases than cash-rented farms.

TABLE I. — *Cash Tenant Farms and Share Tenant Farms without Buildings, by States, 1900*

(Based on Census, 1900, V, Table 12)

States and geographic divisions	Percentage of tenant farms without buildings		States and geographic divisions	Percentage of tenant farms without buildings	
	Cash tenant farms	Share tenant farms		Cash tenant farms	Share tenant farms
UNITED STATES (1) . . .	4.8	6.6	EAST SOUTH CENTRAL		
NEW ENGLAND			Kentucky.	3.8	7.5
Maine.	3.0	2.4	Tennessee	6.1	8.1
New Hampshire	1.8	0.7	Alabama	7.4	6.4
Vermont	1.5	1.6	Mississippi	4.5	6.9
Massachusetts	3.6	3.1	WEST SOUTH CENTRAL		
Rhode Island	2.7	3.2	Arkansas	4.0	7.7
Connecticut	2.5	2.8	Louisiana	5.1	6.9
MIDDLE ATLANTIC			Oklahoma (2)	3.0	2.8
New York	2.0	1.5	Texas	6.6	8.9
New Jersey	2.8	1.9			
Pennsylvania	2.0	1.2	MOUNTAIN		
EAST NORTH CENTRAL			Montana	25.2	4.1
Ohio	3.6	4.9	Idaho	6.4	2.8
Indiana	4.1	5.9	Wyoming	4.8	3.4
Illinois	3.8	6.5	Colorado	4.0	5.0
Michigan	3.7	2.9	New Mexico	8.1	15.6
Wisconsin	3.6	4.4	Arizona	6.0	11.1
WEST NORTH CENTRAL			Utah	14.6	9.0
Minnesota	8.8	5.7	Nevada	3.7	5.7
Iowa	4.5	9.3	PACIFIC		
Missouri	4.4	7.7	Washington	4.1	9.0
North Dakota	9.8	5.3	Oregon	2.8	3.6
South Dakota	9.9	8.4	California	5.0	5.3
Nebraska	8.5	12.0			
Kansas	6.3	10.8			
SOUTH ATLANTIC					
Delaware	1.6	1.2			
Maryland	2.7	1.6			
Virginia	3.7	4.2			
West Virginia	3.7	4.5			
North Carolina	4.2	5.3			
South Carolina	5.5	5.6			
Georgia	5.0	5.7			
Florida	4.3	8.2			

(1) Including the District of Columbia.

(2) Including Indian Territory, separately reported in 1920.

In general, it can be said that few communities show wide differences between share-rented and cash-rented farms in respect to the use of farm real estate for subsistence as contrasted with commercial agriculture.

§ 2. TERMS IN WHICH STIPULATED RENTS ARE STATED.

Cash tenancy, as defined by the United States census, takes a variety of forms. These can be classified according to the terms in which the rent is stipulated. A tabular analysis follows :

- (A) The real estate included under the rental contract.
 - (1) Real estate used in tenant-family consumption.
 - (2) Real estate used in commercial production.
- (B) The medium of payment.
 - (1) Cash.
 - (2) Labour.
 - (3) Produce.
- (C) The time of payment.
 - (1) In advance.
 - (2) Currently with use.
 - (3) At or immediately after the time of marketing produce.
- (D) The property basis of stipulation.
 - (1) Personal property units —
 - (a) Using the real estate ; *e. g.*, grazing animals.
 - (b) Used on the real estate ; *e. g.*, water, tools (ploughs), work stock (horses or mules).
 - (c) Resulting from use of the real estate ; *e. g.*, live stock, live stock products, or crops produced.
 - (2) Real property units used, the rental units being —
 - (a) Entire tracts or farms.
 - (b) Acres at tenant's disposal, whether used or not.
 - (c) Acres used at least during a part of the season.
 - (d) Acres used to fruition.
- (E) The degree of inflexibility of rent.
 - (1) Provision for rebates or bonuses.
 - (2) Provision for option as to basis of computing rent.

The Real Estate Included in the Rental Contract.

As indicated earlier there is a considerable amount of real estate in tenant farms that serves primarily to afford subsistence for the tenant. Its utility as subsistence property lies not merely in its quality and abundance, but also in the desirability of the various facilities afforded by the community to which occupancy of the farm gives access. To what extent these elements are taken gratuitously by tenants operating farms for others or for fixed amounts of rent is difficult to say. A good many cash-rented farms are located near city limits, so that when provided with dwellings these farms can compete, either to their advantage or disadvantage, with specialized residences in the suburbs or the more downtown districts. Other cash-rented farms, however, are located in regions largely undeveloped, where community facilities, except those of the most elementary sort, are remote or practically non-existent. In general, it should be pointed out that a farm house on a tenant farm occupies a subordinate position in the stipulation of the rent for the farm as a whole.

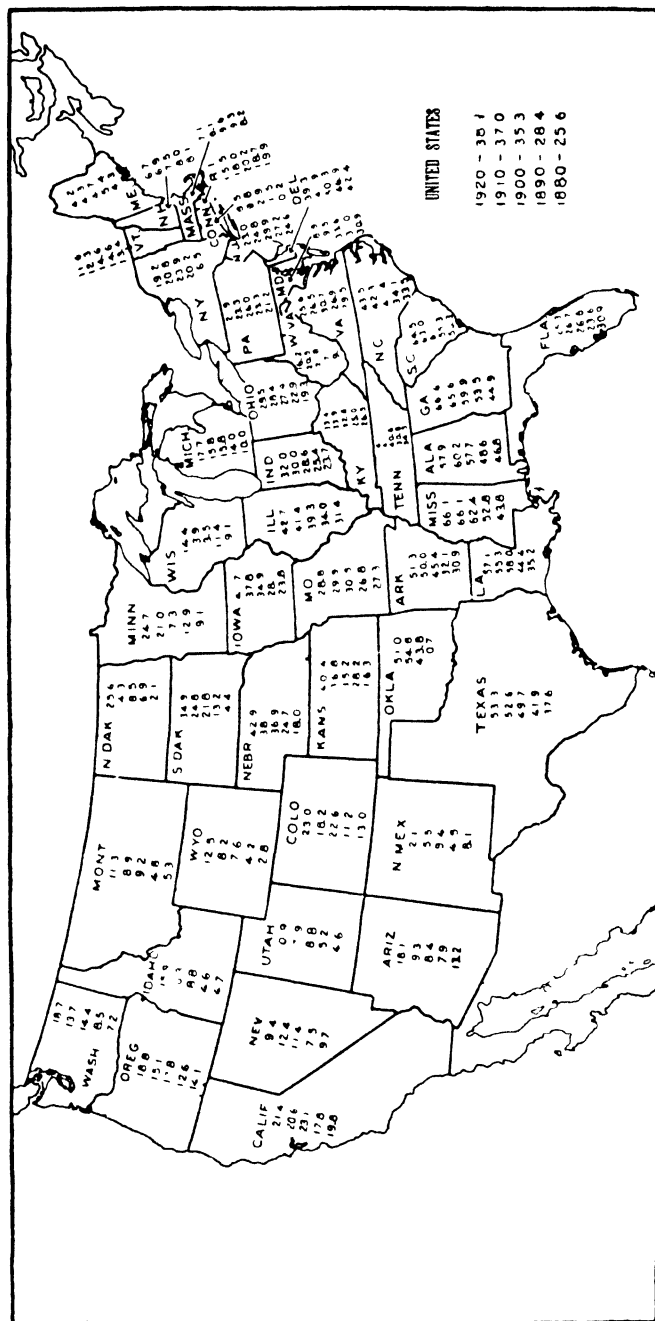
The Medium of Payment.

In the case of cash-tenant farms, using the term in the broad census meaning, the rent is generally paid in money, but sometimes in produce and much less frequently in labour. Examples of the payment of rent by a fixed amount of labour have been reported to the Department of Agriculture only from plantation areas in a few Southern States and then only as isolated instances. Payment of a certain or fixed amount of produce is discussed later in the section entitled "Renting by Standing Renters". The more general rule is payment in money in amounts fixed inflexibly in advance.

The Time of Payment.

Owners of farms leased for money rent frequently require not only that the amount of rent shall be fixed in advance but that the payment itself shall be made in advance. This holds particularly in the case of owners who are not natural persons, as in the case of State governments and private corporations, or where the interests of owners are administered in their behalf by such parties, as in the case of leased lands Federally administered in behalf of Indians.

From "Farm Ownership and Tenancy in New York," United States Department of Agriculture



In six of the 15 States the proportion of all firms that were operated by tenants was higher in 1930 than in 1880. The two decades before 1900 showed the larger increase in a majority of the States. In the two decades after 1900, however, the trend toward tenant operation persisted in the leading agricultural States.

It holds more or less true likewise of land in National Forests, which the Forest Service of the United States Department of Agriculture permits to be grazed. In general, the problem of obtaining advance payment of rent or of making special provisions for securing the landowner against irresponsible use of his land is especially pressing in the case of grazed land.

Of the 156 million acres of National Forest land, it is estimated that 110 million acres are grazed under permit. The agistment fee was required to be paid entirely in advance in all cases until 1921 when a plan for dividing payments was instituted. In 1923 about three fourths of the permittees took advantage of this plan, paying one half the fee when the stock was turned in and the balance toward the end of the calendar year, usually before the stock was removed for the winter, where such removal took place.

Of the nearly 15 million acres of Indian lands leased for cultivation or grazing, about 99 per cent. was leased on a cash basis for the year ending 30 June 1923. Payment of cash rent on these lands is sometimes received in advance, but more commonly half of it is paid at the end of each half year. Lessees who do not pay all their rent in advance are required to do one of two things. On the one hand, they may give liens upon all crops grown or raised and upon all cattle and other animals pastured or grazed upon the leased land, as well as upon all animals, implements, or other property placed upon the premises by the lessee as security for the payment of rents and the making of improvements. On the other hand, they may have their leases accompanied by a bond guaranteeing the payment of all rents and the performance of all covenants and agreements. The bond must be signed by two or more individual sureties or by a corporate surety company authorized to act as sole surety.

Of the 30 million acres of lands belonging to States and State institutions leased for cultivation or grazing about the same proportion is leased for cash as in the case of Indian lands. Payment in advance is even more general than in the cases cited.

Cash in advance is also characteristic of a considerable proportion of the land leased by railroad companies for cultivation or grazing. This applies to about 17 million acres.

The lands just referred to, that is, land in the National Forests, lands of Indians, States, and railways, lie almost entirely within the 17 Western States. They account for most of the cash renting in that half of the United States.

The practice of paying cash rent in advance is not widely prevalent outside of these States. The more usual practice in the humid areas is for the cash rent to be paid after the crops are harvested. In some cases notes are given to the lessor by the lessee, drawn with maturity dates at the time of harvesting the crops. Frequently, however, this formality is omitted.

The Property Basis of Stipulation.

Cash rents, though paid for the use of real estate, are sometimes stipulated in terms of personal property. In some of the cases it might be more nearly proper to speak of these as "quasi-rents".

The agistment or fee money paid by permittees grazing their stock upon the National Forests comes within this term. Under the permit system stockmen are allowed to graze a specified number of animals upon land that is not generally sub-divided by fences. However, the permit is for grazing purposes only and though legally conveying no interest in land, grants the permittee the right to a nearly complete utilization of the annual growth.

In the case of farms whose lack or superfluity of water or certain chemical elements calls for special outlays for regular supply or removal it is proper, from some standpoints, to consider these outlays as analogous to a proportion of the rent of lands not so handicapped. If a permanent conducting installation is used and the outlays are placed upon a yearly basis, the rental conception seems to be rather closely approached. It is none the less present in cases where delivery is independent of the permanent installation or where the arrangement is as simple as the mere granting of permission to drive cattle to a watering place.

When permanent conducting installations are used, yearly charges are collected by taxing agencies in cases where improvement districts have been organized under State laws. Charges are frequently collected on a yearly basis even when improvement districts have a less formal legal status. A landlord may pay these charges and receive partial or total reimbursement in the form of a part of the tenant's crop. In rice fields in Texas, for example, the landlord by furnishing the water receives a share of the crop one fifth larger than would be the case if the water were furnished by the tenant. In some other cases the charge for water is met by cash payment on the part of the tenant using it or by division between the landlord

and tenant. Where the land stands good for the water charge, collections in advance are not imperative.

In these types of quasi-renting, the units of personal property used as the basis of specification are, in the first instance, units of live stock using the real estate and in the second instance units of water used on the real estate. Grazing on land in charge of officials administering the permit system of the National Forests is in a few cases paid for as a straight cash rent of land. This is found only where railroad grants lie within National Forests, and are in effect consolidated with the Federal lands through the absence of fences. Leases on railroad lands are informally considered as claim checks upon grazing rights anywhere within the National Forests in which these railroad lands lie, providing the grazing allowance corresponding to the acreage of railroad land leased is not exceeded.

Only a negligible number of cases have been reported where the consideration in full-fledged leases is based upon the number of units of water used or live stock grazed. Contracts for genuine rents, however, are in numerous instances stipulated in terms of units of work stock or corresponding equipment used in operating the land. Renting land for a specified amount of cash or produce per plough or per work animal is not unusual in Southern States, and particularly in the plantation districts. Where land is rented for a fixed amount of produce or labour per plough, per mule, or per acre, standing rent is involved. This is discussed in more detail later.

On less frequent occasions a fixed amount of money is paid per plough, horse, or mule. Apparent flexibility of the acreage cultivated per unit of animal power or per plough is a striking feature of this kind of renting. The worker operating land on this basis is under close supervision and is pressed toward intensive cultivation of the land.

Stated rents of farm real estate are sometimes stipulated on the basis of yet another variety of personal property units; namely, units of production from the land itself. In these cases there is paid for each unit of product not a given amount of product (this would be sharing), but a given amount of cash. In the case of land producing sugar cane or sugar beets, for example, the rental is sometimes specified as a given number of dollars and cents per ton of product. In some cases corn land is leased for a given number of cents per bushel. The degree of fixity in these varieties of cash rent is not marked when the rents paid are reduced to an acreage basis.

The plan just described is not to be confused with those arrange-

ments between workers and landowners sometimes found in the Corn Belt by which the owners buy all of the corn raised on a specified acreage at a price per bushel fixed in advance. Nor is this plan to be confused with those arrangements found in the case of land producing sugar cane or beets by which the product is bought by the landowners at tonnage prices fixed in advance. A similar confusion is to be avoided where rent is nominally fixed as a given amount per acre, but is actually made flexible in response either to fluctuations in physical yields, in price per units of product, or in other factors considered pertinent by the contracting parties. Where landowners acquire title to a product at an agreed price per unit raised, or where flexible provisions relieve the renter of full risk of yield or price, less fixity of rental payments is involved than that ordinarily to be associated with cash tenancy, even when the rent is a fixed amount of cash per unit of product grown upon the land.

Where a tenant produces a product for sale to the landlord at a price low enough to amount to the production of so much money rent per unit, it is possible to regard this as a case of genuine rent-paying tenancy, even though the rent per acre has a flexible quality. The use of personal property units as the basis of specifying farm rents is more or less of a subterfuge, the use of the real estate being the object of the transfer. In a large majority of properties under rent-paying tenancy the amount of land rented and the amount of rent paid is specified without reference to units of personal property of any kind.

Renting of entire tracts or farms for a fixed amount of money, labour, or produce, without provision for exempting any of the acres, except under certain conditions, is a practice in most of the sections where non-share tenancy is found.

Farming has its precarious nature in many cases for reasons apart from the skill or faithfulness of individuals. Conditions partly or wholly beyond the control of the operator or the landowner include those arising from the weather, floods, the incursion of insects, and movements in the markets on which the contracting parties are dependent. Where profits from farming are precarious on account of conditions which, like covenants, may be said to "run with the land", provisions are often incorporated for exempting from the payment of rent such acreage as is abandoned between planting and harvest or for exempting acreage which could not be planted even though it were ploughed or otherwise were taken into account in the early plans of the tenant.

The Degree of Flexibility of Rent.

It is clear from the preceding that one reason for conditional exemption of acreage and for rental stipulation in terms of personal property, especially products of land used, is to introduce a degree of flexibility into stated rents and to make them less speculative for the tenant (1).

Provisions are often found so drawn as to provide flexibility by the varying of a number of other items in the computation of stated rents. A stated rent per farm or per acre may be modified automatically in exact or other ratio to fluctuations from specified norms. Without sacrificing the structure of a basic cash rent provision for automatic reductions is sometimes made. These may provide for the variation of cash rents according to variations in price per unit of product or in any other factor considered pertinent by the leasing parties.

Physical yield, of course, is not commonly the basis for such variations in cash rents, except in case of abnormal periods, more particularly in periods of crop failure. Remission of rents in such periods or even in periods of abnormally low prices is a matter which is governed by custom in some parts of the country.

Cash rents are sometimes made more flexible by granting to the tenant the right to choose between alternative bases of settlement, one or all of which may be of the non-share variety.

Where a tenant has an option to settle on a basis of labour or produce instead of cash, his decision must, of course, be rendered by an agreed time.

Out of the rather extensive list of varieties of contract elements just reviewed the most significant factors are found under two headings, standing rent (2) and money rent. These will now be taken up in turn.

(1) In a preliminary statement entitled "Take the Gamble Out of Farm Leases", the Department of Agriculture called attention to the inflexible character of many rent contracts in early 1921, and reviewed methods of putting rents into closer correlation with values produced, even when not resorting to share tenancy.

(2) The phrase "standing rent" is used by the United States Census to include only such renting on a fixed payment basis as requires payment in kind, as, for instance, "lint rent", where a specified amount of lint cotton is paid per unit of property. In some sections, however, the phrase "standing rent" includes payments under cash and other plans of rent-paying tenancy as well. It is used here in its more restricted sense; namely, that employed by the Census.

§ 3. RENTING BY STANDING RENTERS.

Standing renters were separately classified for the first time in the United States Census of January 1920. Standing-rent contracts were reported for 104,996 farms or 1.6 per cent of all farms in the United States, and about one fifth of the farms statistically classified as cash-rented. Standing-rent was reported, however, only for 16 Southern States.

Geographic and Legal Aspects of Standing Rent.

Nearly two-thirds of these standing renters were in two Cotton Belt States, Georgia and South Carolina. They were localized in the plantation counties. There was a marked difference between the plantation counties of South Carolina and Georgia on the one hand and the counties of similar production and ownership conditions west of the Georgia-Alabama line. In the eastern portion of this belt cash-renting contracts were almost non-existent, standing-rent contracts accounting for over half of the tenant farms in a number of counties. In the western stretches of the belt, however, almost the reverse was the case. The following may explain this contrast.

In Southern States outside of Georgia and South Carolina those operators who do not own their farms seldom resort to standing rent merely because of purely legal reasons. In South Carolina and Georgia, however, tenants who might otherwise operate on a share basis are engaged under standing-rent contracts on account of the statutes. In those States, share tenants are classed as croppers and treated as such legally (1).

(1) See 20 South Carolina, 1, 6, and Georgia, Revised Statutes, Section 3707. Also see C. O. BRANNEN: Relation of Land Tenure to Plantation Organization, a bulletin manuscript in the United States Department of Agriculture, Bureau of Agricultural Economics, Division of Land Economics.

According to Mr. Brannen, a cropper may be defined, in the economic sense, as "a farm labourer who supplies the man labour necessary in working the crop, and sometimes part or all the seed, fertilizer, and costs of marketing, receiving a share of the crop and working under the close supervision of the plantation or estate operator".

In the legal sense, a cropper may be defined as one who works farm real estate in which he has not leasehold or other ownership interest, producing crops for his employer and receiving from his employer a proportional share of the crops as wages. His employer holds at least a leasehold interest in the real estate. The cropper has a right only to compensation, unless given other rights by State legislation.

The share tenants in these States and croppers in all States have only a servant's lien for compensation for labour performed, except as special concessions are obtained from the landowner or tenant so as to grant them a more merchantable or assignable interest. A tenant who can pay a cash rent or a standing rent in Georgia or South Carolina can handle his crop interest as a basis for credit without special arrangements with his landlord. Apparently, standing rent in most cases serves the purpose just alluded to as well as does cash rent (1).

Where standing rent gives ground for a legal tenancy, it is not difficult to see why operators who might otherwise be expected to be share tenants would choose standing rent. Many tenants who might otherwise have been on a cash basis find it quite natural to operate under standing-rent contracts. Since the standing renters in South Carolina and Georgia have apparently been recruited from the ranks both of potential share tenants and of potential cash tenants, the ranks of standing renters in these States have apparently been swollen as compared with those of other States having more or less similar economic but different legal conditions.

Standing Renters in a Georgia Area.

The following account of the operations of standing renters in a Southern area will show how this system operates.

In 1918 in a central county in Georgia 157 standing renters, all coloured, paid as rent 411,460 pounds of lint cotton. Their farms contained 11,009 acres of crop land, of which 5,919, or 53.8 per cent., was not cotton. The rent paid was 69.5 pounds of lint per acre of cotton land and 37.4 pounds of lint per acre of all crop land. If computed on the basis of all land used, the amount of lint paid per acre would, of course, be still smaller.

The proportion of the cotton crop turned over as rent on the farms was 36.8 per cent., but this produce paid rent on 86 acres of non-cotton crop land for every 100 acres of cotton land and for a considerable acreage of non-crop land as well. To pay the rent on 11,009 crop acres took the entire amount of cotton produced on 2,177 acres, or 19.7 per cent. of the area.

In the case of most of these farms cotton was the cash crop for

(1) Court decisions in sporadic cases have held that contracts for standing rent may under some conditions convey no more interest in the land than do cropper contracts. These cases are exceptional.

the sake of which the entire acreage was utilized. The land devoted to cotton had a special importance. From that standpoint rent absorbed 36.8 per cent of the produce of the land that counted most. The other land, however, was worth something apart from its relation to the cotton acreage and if required to be paid for equally with the cotton land it would be fair to say that rent absorbed only 19.7 per cent. of the produce, expressed on a cotton basis. Since the use of the non-cotton acreage was not merely thrown in for good measure, some percentage between 36.8 and 19.7 would afford a more correct expression of the proportion of product absorbed by standing rent.

When the individual farms are compared it appears that the percentage of lint cotton paid in rent was as low as 18.5 in one case and as high as 83.3 in another. The ratio of non-cotton acreage to the entire acreage of the farm was generally larger the higher the percentage of cotton lint turned over as rent. From one farm to another, however, there is much irregularity in the ratio of non-cotton to cotton land. For that reason, comparisons of the proportion of cotton absorbed in rent are not in themselves definitive. In the proportion of lint cotton paid as rent the five-point percentage range within which the largest number of these farms fall was that between 35 and 40. Among these farms one acre of cotton land carried with it almost the same amount of other crop land. The rent indicated for these farms was apparently about the same as the share rent prevailing in cotton areas among tenants furnishing their own equipment, that is, a third of the corn and other non-cotton crops and a fourth of the cotton.

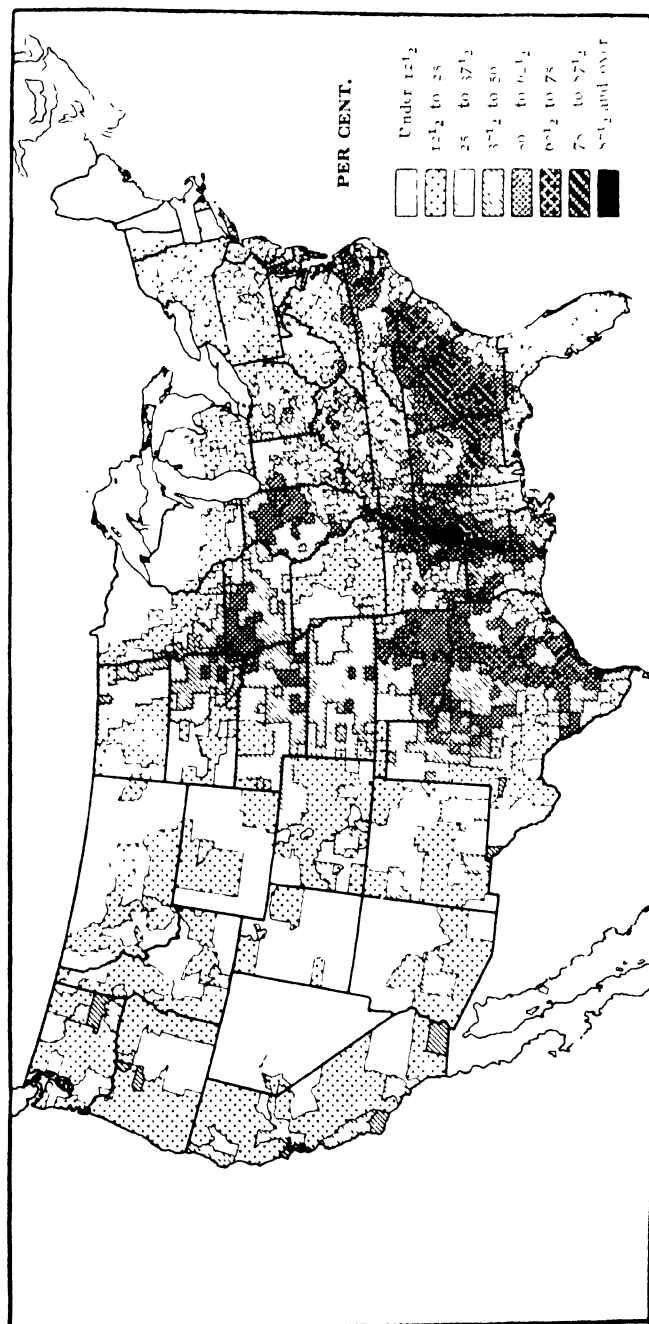
Standing Renters Compared with Other Southern Farm Operators.

Very little standing rent is found outside of South Carolina and Georgia and practically all of it is found within the 16 Southern States.

Following is a comparison of standing renters with other farms operators in these States. In Table II, it appears that standing renters operated small farms. Only croppers had smaller farms. The percentage of farm land that was improved was 62.5 (1) in the

(1) In three States, Delaware, Florida, and Texas, the percentage of farm land improved was higher for standing renters than for any other tenant group. In three States, Alabama, Georgia, and Tennessee, standing renters stood second only to croppers in this comparison. In two States, Arkansas and Mississippi, the percentage of farm land improved was higher in the case of farms of both croppers and share-cash tenants than in the case of

FIGURE 2 — *Percentage of all Farms Operated by Tenants, 1 January 1920*
 (From "Farm Ownership and Tenancy", 1923 Yearbook, United States Department of Agriculture)



The percentage of farms rented in 1920 was highest in the Cotton Belt where tenant farms constituted nearly if not one half to nine tenths of the number of all farms. In the Corn Belt and the winter wheat and spring wheat regions tenant farms comprised from one fourth to three fourths of the number of farms.

case of standing renters, this being larger than the corresponding percentage shown for owners, managers or cash tenants.

As shown by Table II, the farms of standing renters were 3.3 per cent. of all Southern farms; their farm land was 1.8 per cent. of all Southern farm land; and the proportion of all improved farm land in the South operated by standing renters was 2.5 per cent. When the comparison is made on the basis of farm real estate valuation, the percentages are not greatly different. According to the Census of

TABLE II. — *Average Acreage per Farm and Percentage of Real Estate operated under various Forms of Farm Tenure, Southern States, 1920.*

(From Census, 1920, V, Chap. III, Table 4).

Tenure	Average number of acres per farm		Per cent. of farm land improved	Percentage distribution		
	All land	Improved land		Number of farms	All land	Improved land
The South, total.	109.2	49.0	44.9	100.0	100.0	100.0
Owners.	138.1	56.1	40.6	49.8	63.0	57.0
Owning entire farm.	129.2	54.4	42.1	43.8	51.9	48.7
Hiring additional land.	203.4	68.2	33.5	6.0	11.1	8.3
Manager.	1,225.1	190.8	15.6	0.6	6.4	2.2
Tenants.	67.3	40.2	59.8	49.6	30.6	40.8
Share tenants including crop- pers.	60.6	40.1	66.1	37.8	21.0	30.9
Share tenants proper.	78.2	49.0	62.7	20.3	14.5	20.3
Croppers.	40.2	29.7	73.9	17.5	6.4	10.6
Share-cash tenants.	93.4	62.5	66.0	0.7	0.6	0.9
Cash tenants, including stand- ing renters.	88.2	39.3	44.6	10.1	8.2	8.1
Cash tenants proper.	161.4	40.0	39.4	6.8	6.3	5.6
Standing renters.	60.8	38.0	62.5	3.3	1.8	2.5
Unspecified tenants.	91.6	40.8	44.5	1.0	0.8	0.8

standing renters. In six States, Louisiana, North Carolina, Oklahoma, South Carolina, Virginia, and West Virginia, standing renters were surpassed by croppers and all other share tenants on the basis of this comparison. In two States, Kentucky and Maryland, standing renters stood lowest in the percentage of farm land that was improved. In some of the States, however, there were but a few standing renters. In general, it appears probable that at the one extreme standing renters operated tenant farms most adapted to crop production, while at the other extreme they operated tenant farms quite well adapted to general farming, possibly including live stock production.

1920 (1), the farms of standing renters contained 2.0 per cent. of all farm real estate valuation in Southern States, 2.0 per cent. of the valuation of the land alone, and 1.9 per cent. of the valuation of the buildings.

In the case of standing renters and other operators of Southern farms, the percentage of farm land improved affords an indication of the place standing renters occupy in the farming system of the South (2). The most highly improved Southern farms that are operated under a tenant plan are more generally worked by croppers or otherwise on a sharing basis. In the case of farms for which share operators are not available and in the case of farms whose owners lack capital for necessary advances and lack the time necessary for supervising standing renters, cash renters are more generally engaged. As between standing and cash renters, the former operate farms consisting more largely of improved land.

Reasons for Limited Application of Standing Rent.

In general, standing rent has a peculiarly localized application in American agriculture. Why is it not more widely employed? Both legal and economic reasons are involved.

To analyze the economic reasons why standing rent is not found in some other parts of the country it is necessary to refer at this point to some of the information brought out in a subsequent section on "Relation of Rents to Property Valuations". The cash rent paid in the main agricultural region of the North Central States was much lower on a given valuation of farm real estate than in Southern States. Outside of the Southern States farm landlords apparently compete more keenly for cash tenants than for share tenants, to put the matter in quite general terms: Compared with other farm landlords Southern landlords are more generally engaged in farming their own land. Much of the land they are statistically reported as letting to tenants is in reality operated for them by cropper employees. Southern landlords, in many cases, have the co-operation of merchants who share the responsibilities devolving upon those supervising the tenants who pay produce rent; in fact, many of the Southern

(1) See Census 1920, V, 130.

(2) See Tables IX and X for detailed data as to standing and other varieties of renters of the survey areas of the Southern States.

landowners combine the functions of landlord and merchant, and in connection with their control of the consumption of the tenants which is a phase of system of "advances" against the next year's crop, and by virtue of their general authority in production, harvesting and marketing are in a position to take the risks that the quality of produce delivered as rent will be of reasonably high order, that the crops will not suffer unduly from various depredations, and that the produce received as rent and in settlement of the advances can be marketed to advantage. Outside of Southern States the tenants seldom need to have their own share of the products marketed through landowners. The several years of adversity since 1920 have apparently not reduced the relative circumstances of tenants in non-Southern States enough to bring this result. In non-Southern States the tenants have generally been able to take advantage of opportunities either for relatively easy cash rents or for share rents well adjusted to their sense of independence. In most Southern States, in fact, share-rent contracts give tenants a legal position as satisfactory as standing-rent contracts give them in Georgia and South Carolina, and is preferred to standing rent in most instances.

§ 4. MONEY RENTING.

Besides standing rent the other important form of non-share tenancy in the United States is money renting, or cash tenancy in its restricted sense. In 1920 it characterized the operations of practically all of the 130,000 share-cash tenant farms and over five sixths of the nearly 600,000 farms leases entirely on a non-share basis.

Changes in the Relative Prevalence of Cash Tenancy.

Data as to changes in the absolute and relative amount of cash renting are available on the basis of farms for the five decennial Census dates beginning with 1880 and on the basis of acres and values for the three decennial dates beginning with 1900. In Tables III, IV and V these statistics are summarized. In Table III, it appears that the percentage of tenant farm acreage operated by "cash and unspecified" tenants was about 30 in 1920, about 37 in 1910, and about 40 in 1900. Improved acreage and unimproved acreage showed diverging percentages, that of the former being much the lower and progress-

TABLE III. — *Farm Tenant Real Estate rented for Cash and on Shares, United States, 1900-1920.*

	1920 (2)	1910 (1) (2)	1900 (2)	Increase per cent.		
				1900-1920	1900-1910	1910-1920
<i>Total farm acreage:</i>						
Total tenants . . .	264,979,543	226,512,843	195,933,537	35.9	16.1	17.0
Share and share-cash	185,056,979	142,443,586	117,710,370	57.2	21.0	29.9
Cash and unspecified	79,922,564	84,069,257	77,323,167	3.4	8.7	-4.9
Per cent. cash & unspecified	30.2	37.1	39.6			
<i>Improved acreage:</i>						
Total tenants . . .	175,754,525	156,287,314	125,357,735	40.2	24.7	12.5
Share and share-cash	132,813,057	105,661,661	82,773,326	60.5	27.7	25.7
Cash and unspecified	42,941,468	50,625,653	42,584,409	0.8	18.9	-15.2
Per cent. cash & unspecified	24.4	32.4	24.0			
<i>Unimproved acreage(3)</i>						
Total tenants . . .	89,225,018	70,225,529	69,675,802	28.1	0.8	27.1
Share and share-cash	52,244,122	36,781,835	34,937,044	49.5	5.3	42.0
Cash and unspecified	36,980,896	33,443,694	32,738,758	13.0	2.2	10.6
Per cent. cash & unspecified	41.4	47.7	47.0			
<i>Value of land and buildings:</i>						
Total tenants . . .	23,786,563,230	10,977,232,427	4,748,426,170	400.9	131.2	116.7
Share and share-cash	16,890,415,123	6,969,948,650	2,851,753,380	492.3	144.4	142.3
Cash and unspecified	6,896,148,107	4,007,283,777	1,896,672,790	263.6	111.3	72.1
Per cent. cash & unspecified	29.0	36.5	39.9			
<i>Value of land:</i>						
Total tenants . . .	20,637,130,405	9,450,693,276	3,938,470,322	424.0	140.0	118.4
Share and share-cash	14,707,130,157	6,030,006,141	2,359,902,108	523.2	155.5	143.9
Cash and unspecified	5,930,000,248	3,420,687,135	1,578,568,214	275.7	116.7	73.4
Per cent. cash & unspecified	28.7	36.2	40.1			
<i>Value of buildings:</i>						
Total tenants . . .	3,149,432,825	1,526,539,151	809,955,848	288.8	88.5	106.3
Share and share-cash	2,183,284,966	939,942,509	491,851,272	343.9	91.1	132.3
Cash and unspecified	966,147,859	586,596,642	318,104,576	203.7	84.4	64.7
Per cent. cash & unspecified	30.7	38.4	39.3			

(1) Census, 1920, V, Chap. III, Tables 1 and 5.

(2) Census, 1910, V, Chap. II, Tables 1 and 4.

(3) Computed from Census figures.

ively so from earlier to later Census dates. The increase of acreage operated by share-cash and share tenants in 1920 as compared with 1900 was 50 per cent. in the case of unimproved land and 60 per cent. in the case of improved land. The corresponding percentages in the case of cash tenants, however, were but 13 and 2 respectively. In 1920, cash-tenant farms contained 22.4 per cent. of all improved and 36.8 per cent. of all unimproved land in farms.

The proportion of farms operated by cash tenants was often smaller than the proportion of farm real estate operated by them. This is shown by comparing Table III with Table IV. In fact, cash-tenant farms in 1920 were 20 per cent larger than share-tenant farms.

TABLE IV. — *Number and Percentage of Farm Tenants in Specified Tenant Classes, United States, 1880-1920.*

(From Census, 1920, V, Chap. III, Tables 3 and 11)

Date	Total	Share and share-cash			Cash and unspecified		
		Total	Share	Share-cash	Total	Cash	Unspecified
Number:							
1920 . .	2,454,804	1,806,631	1,678,812	127,822	648,170	585,005	63,165
1910 . .	2,354,676	1,528,389	1,399,923	128,466	826,287	712,294	113,993
1900 . .	2,024,964	1,273,299	—	—	751,665	—	—
1890 . .	1,294,913	840,254	—	—	454,659	—	—
1880 . .	1,024,601	702,244	—	—	322,357	—	—
Percentage:							
1920	100.0	73.6	68.4	5.2	26.4	23.8	2.6
1910	100.0	64.9	59.4	5.5	35.1	30.3	4.8
1900	100.0	62.9	—	—	37.1	—	—
1890	100.0	64.9	—	—	35.1	—	—
1880	100.0	68.5	—	—	31.5	—	—

(1) Including farms on which standing rent was paid numbering 104,996, or 34 per cent. of all farms of cash tenants, including standing renters in Southern States

The Census of 1910 showed the number of cash tenants to be higher than that of any other Census, but cash tenants were a larger proportion of all tenants in 1900 than at any other Census date. This is shown in Tables IV and V. The proportion of tenants who were on a share-cash basis (that is, paying cash for a part of the farm and working the rest of it on shares) declined from 5.5 per cent. in 1910 to 5.2

TABLE V. — *Percentage of Tenant Farms of Known Status, Rented for Cash, by States, 1880-1920.*

(Based on Census V, Chap. III, Table 11.)

States and geographic divisions	Percentage of tenant farms rented for cash					States and geographic divisions	Percentage of tenant farms rented for cash				
	1920	1910	1900	1890	1880		1920	1910	1900	1890	1880
UNITED STATES (1)	244	31.8	37.1	35.1	31.5	EAST SOUTH CENTRAL					
NEW ENGLAND						Kentucky	12	15	22	32	38
Maine	84	84	73	59	59	Tennessee	18	28	31	37	34
New Hampshire . . .	90	87	75	56	47	Alabama	40	54	58	51	36
Vermont	47	56	50	48	45	Mississippi	22	39	51	40	39
Massachusetts	83	89	87	72	73						
Rhode Island	97	95	94	89	80	WEST SOUTH CENTRAL					
Connecticut	82	84	80	69	61	Arkansas	16	30	34	41	34
MIDDLE ATLANTIC						Louisiana	18	22	43	38	39
New York	41	43	45	43	45	Oklahoma (2)	16	22	29	20	—
New Jersey	45	46	51	41	43	Texas	5	8	15	21	18
Pennsylvania	36	40	41	37	38						
EAST NORTH CENTRAL						MOUNTAIN					
Ohio	27	28	32	33	31	Montana	28	44	51	46	21
Indiana	17	18	20	22	19	Idaho	33	31	27	23	36
Illinois	27	32	37	36	26	Wyoming	34	38	50	46	38
Michigan	28	31	30	34	33	Colorado	25	30	40	32	28
Wisconsin	43	47	45	43	31	New Mexico	26	26	23	16	5
WEST NORTH CENTRAL						Arizona	48	62	61	45	42
Minnesota	36	26	19	23	15	Utah	45	34	30	22	14
Iowa	51	55	56	44	19	Nevada	57	65	65	52	46
Missouri	25	31	36	37	34	PACIFIC					
North Dakota	6	4	15	28	21	Washington	49	45	49	35	44
South Dakota	21	13	16	20	9	Oregon	50	49	41	34	33
Nebraska	23	23	26	32	17	California	58	59	54	49	45
Kansas	18	23	29	21	20						
SOUTH ATLANTIC											
Delaware	13	14	15	14	14						
Maryland	17	22	26	26	31						
Virginia	17	25	32	35	38						
West Virginia	44	45	37	33	36						
North Carolina	14	20	21	17	16						
South Carolina	33	48	60	50	47						
Georgia	30	41	44	32	30						
Florida	46	60	73	49	39						

(1) Including the District of Columbia.

(2) Including Indian Territory, separately reported in 1900.

per cent. in 1920 and the proportion of all tenants who were on a straight cash basis decreased from 30.3 per cent. in 1910 to 23.8 per cent. in 1920.

In 1920, the ratio of cash tenants to share tenants for the country as a whole was as one to three (Fig. 2). In the New England States the percentage of tenants who were on a cash basis was 97 in the case of Rhode Island and above 80 in four other States. The only other States in which more than half the tenants were on a cash basis were California, 58 per cent.; Nevada, 57 per cent.; and Iowa, 51 per cent. Washington and Oregon lacked so little of having half their tenant farms on a cash basis that the Pacific group as a whole, dominated by the California figures, showed cash tenants to be more numerous than other tenants. At the other extreme stand the two States in which fewer than 10 per cent. of the tenants were on a cash basis, namely, North Dakota, 6, and Texas, 5. The dominating position of Texas in the tenancy statistics of the West South Central States is such that the percentage of tenant farms operated on a cash basis in that division was but 12. The prominence of cash tenancy decreased in all but one of the State groups between 1910 and 1920. This was the Pacific group, the increase being found in Oregon and Washington. The decrease of cash tenancy in the other eight groups was least in New England and most marked in the three Southern groups, particularly the West South Central division. While Cotton Belt tenants turned from cash tenancy more markedly than did those in the Corn Belt between 1910 and 1920, the predominance of share tenancy was increased in nearly all of the important tenant regions of the country.

A more striking feature of Table V is the indication it gives that before 1900 there was a trend toward cash tenancy as distinctive as the more recent trend in the opposite direction. It appears that the percentage of tenant farmers who were paying cash reached its highest mark in 1880 in 5 States; in 1890, in 9 States; in 1900, in 19 States; in 1910 in 5 States; and in 1920 in 7 States. In 1900, there were but 10 States in which the percentage of tenants operating on a cash basis was less than in 1880. Comparing 1900 with 1920, however, it appears that all but 12 of the 48 States showed a smaller percentage of rented farms operated by cash tenants at the later date. In the principal agricultural States, there was a marked movement toward a cash basis as evidenced by the 1880, 1890 and 1900 enumerations and an even more marked movement away from the

cash basis as evidenced by the enumerations of 1900, 1910 and 1920. The Cotton Belt States apparently made the most prominent shifts, first toward and later away from the cash-renting basis.

The absence of annual statistics on farm tenure for the half century in which these five decennial dates fall (1) makes it impossible to describe in any precise way the form taken by the trends toward and away from cash tenancy.

Trends in Rental Forms and in Commodity Prices.

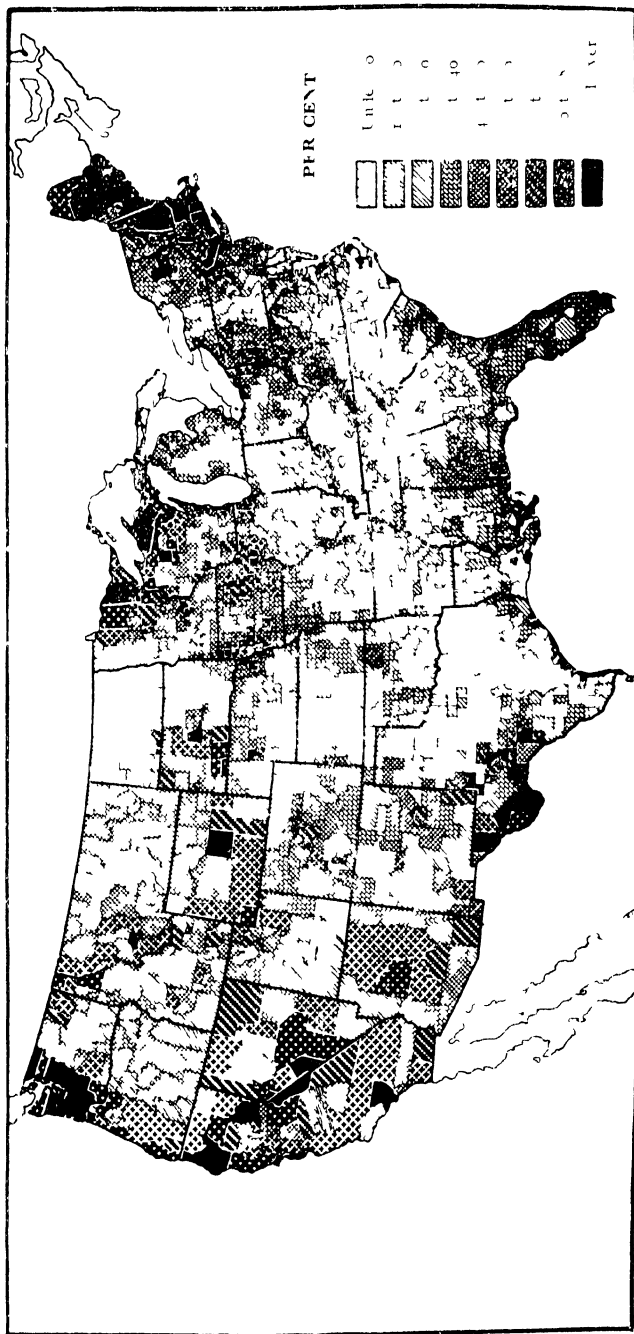
In general, it seems safe to say that so far as the broader transitions are concerned the movement toward money renting accompanied a downward movement of commodity prices, and the movement away from money renting accompanied an upward movement of commodity prices. Some possible reasons for this apparent relationship follow.

When prices of farm products are declining an increased proportion of landlords may prefer cash to share rent. Under normal conditions of competition for land to rent, landlords may succeed in getting their preference as to the form of rent whether getting their preference as to the amount of rent or not. Tenants who can keep their cost down may find cash rent quite favourable under such circumstances. On the other hand, when prices of farm products are advancing an increased proportion of landlords apparently prefer to take risks of fluctuations in physical yields rather than be deprived of the chance to profit by higher prices of products. In this event, likewise, many landlords under normal conditions of competition may succeed in getting their preference at least in regard to the form of rent, their preference in such cases inclining toward share contracts. Sharing produce in a manner sustained by custom carries the assumption of fairness in the thought of so many people that the impulses of landlords towards that plan are less subject to local criticism than their impulses towards contracts providing for less flexible rents. This has doubtless given some impetus towards

(1) Data obtained from estimates supplied by nearly eleven thousand local correspondents of the Bureau of Agricultural Economics were first obtained in December 1922, so as provide yearly evidence as to farm tenure. An inquiry for early 1924 includes a request for estimates as to the proportion of tenant farms operated on share, cash-share, cash, standing, and miscellaneous bases in 1922 and in 1923.

FIGURE 3. *Forms Reported by Owners of the State of Kentucky*

Form Owner in the Year of the State Department of Agriculture



With a few notable exceptions, the forms were relatively minor in number. The forms were reported by the owners of the State of Kentucky, and the forms were reported by the owners of the State of Kentucky.

sharing even when the trend of the times was a less positive influence in that direction.

Since the proportion of tenant farms rented for cash has been reduced during much of the period about 1900, the question naturally arises whether a selective process has widened the difference between cash-tenant and share-tenant farms during the last quarter century. In the following statistical comparisons, it is at least desirable to take note of the data for 1900 in a somewhat different light from that in which later figures are regarded. Unfortunately some of the most desirable lines of data are not available for both the earlier and the later portions of the last quarter century. The statistics shown, however, are for the latest available date.

Non-Resident Owners Incline to Cash Tenancy

To what extent are the owners of rented farm land resident in the same localities? This question may be answered in various terms.

About four fifths of the rented farms in the United States are owned by persons whose residence is in the same county as the farm. The data establishing this relationship are available for 1,523,863 rented farms in 1900 and for about 275,000 rented farms in 1920. The data for 1900 are published in reports of the Bureau of the Census and those for 1920, though drawn from Census schedules, were tabulated in the Bureau of Agricultural Economics. The statistics for the latter date, though relating to rented farms in but six per cent. of the counties distributed in 29 of the States, confirm the existence in 1920 of virtually the same sectional differences and other general conditions as those existing in 1900. For example, 79 per cent. of the rented farms in 1900 were owned by parties residing in the same county. The corresponding percentage shown in 1920 is 80. For the 184 counties included in 1920 the percentage of non-residents was presumably no larger than in the country as a whole.

In the tabulation for 1920 a distinction was made between rented farms owned by landlords living in an adjoining county and those owned by landlords living in other counties. It appears that 12 per cent. of all rented farms came within the former group and 8 per cent. within the latter.

Non-resident ownership was a feature of rented farms in Western and Northern States more than in Southern States in 1900. At the same time that fewer than 20 per cent. of the rented farms in Southern States were owned by persons living outside the county in Northern States the percentages lie between 20 and 30 in most instances, and in States such as Minnesota, North Dakota, South Dakota, Nebraska, Kansas, Idaho, Washington and California, the percentages were above 30.

In the special study of 275,000 tenant farms in 1920, it was found that 80 per cent. were owned by landlords residing in the same county, 11 per cent. by landlords living in adjoining counties, and 9 per cent. by landlords residing more remotely (1). The proportion of cases in which landlords resided away from their farms was shown to be smaller in the South than in the North and West. In a group of counties in Illinois, a North Central State, 25 per cent. of the rented farms belonged to landlords who lived outside of the county, and 10 per cent. belonged to those living in adjoining counties. In the Yazoo delta area of Mississippi, a Southern plantation district, the corresponding percentages were 12 and 5. In other words, the proportion of landlords non-resident was twice as large in the Illinois area as in the Mississippi area. In the spring wheat region, a region developed more recently than the areas referred to in the Cotton and Corn Belts, 40 per cent. of the tenant farms belonged to landlords residing in the counties different from those in which their farms were located.

Outside of six areas in the Middle Atlantic States, the percentage of farms whose owners were not residents of the same county was between 13 and 22. In only two other areas in the country was the percentage of non-residents less than 22, one of these being in Western Ohio, 21, and one in southern Wisconsin, 19. The percentage was 40 in eastern North Dakota and almost as high in a central Kansas area. The preceding gives basis for the conclusion that the percentage of rented farms with non-resident owners (or in the case of cropper farms non-resident operators), while not generally twice as high in Northern and Western areas as in Southern areas in 1920, did not

(1) See Figures 32 and 33 and section entitled "Residence of Landlords" in an article entitled "Farm Ownership and Tenancy", by L. C. GRAY, H. A. TURNER, the present writer and others in the 1923 Yearbook of the United States Department of Agriculture. This article was prepared in the Division of Land Economics of the Bureau of Agricultural Economics.

fall far short of it. About the same relationship existed 20 years before.

When non-residence is defined as failure to live in the same or an adjoining county, a definition which we can employ only in the case of our 1920 statistics, the difference between geographic divisions appears still more marked. In other words, if one excludes from the list of non-residents those who live in adjoining counties, the extent of non-resident ownership of rented farms is greatly reduced in the Middle Atlantic and southern areas. On this basis the extent of the non-residence referred to in the case of cropper and tenant farms in the Yazoo-delta has already been said to be 5 per cent. In the Louisiana area it was about 2 per cent. In the North Dakota area, however, it was nearly 26 per cent.

The mode of renting tenant farms has a close relationship to the extent of the non-residence of owners. Farms owned by landlords not residing in the county are more commonly rented for cash and less commonly rented on shares than are rented farms whose owners reside within the county. Such, at least, is the inference to be drawn from the Census reports of 1900.

In 1900, 36.8 per cent of all rented farms whose owners resided in a reported location were rented for cash. The percentage of farms rented for cash among those farms whose owners resided in the same county was 35; among those whose owners resided in other counties of the same State, 42; and among those whose owners resided outside the State, 46. While the Census of 1920 showed but a little more than two thirds as many rented farms per thousand operated on a cash basis as were cash rented in 1900, there is no ground for assuming that cash renting had decreased more on the farms of non-resident landlords than on farms whose owners resided at less remote distances.

In Table VI, it appears that non-resident owners inclined to cash tenancy quite generally in 1900. In all but three States the proportion of tenant farms rented for cash was higher among those whose owners lived outside the State than among those whose owners lived within it. In all but ten States the proportion of tenant farms rented for cash was higher among those whose owners lived outside the county than among those whose owners lived within it. In only two States, Nevada and Oklahoma, was there less cash tenancy in the case of farms of owners residing outside the State than of owners

TABLE VI. — *Form of Tenancy*
in relation to Residence of Landlords, by States, 1900.

(Based on Census, 1900, V, Table 22).

States and geographic divisions	Ratio (%) of cash-rented farms to all rented farms owned by landlords who resided in			States and geographic divisions	Ratio (%) of cash-rented farms to all rented farms owned by landlords who resided in		
	The same county	A different county of the same State	A different State		The same county	A different county of the same State	A different State
UNITED STATES (1)	35.1	42.4	46.5	SOUTH ATLANTIC (cont.)			
NEW ENGLAND				Virginia	28.9	39.4	47.4
Maine	70.6	79.0	78.4	West Virginia	32.4	44.9	58.1
New Hampshire	71.5	79.6	83.3	North Carolina	19.5	29.1	37.6
Vermont	47.1	53.3	64.5	South Carolina	58.2	66.8	72.5
Massachusetts	84.7	90.9	87.9	Georgia	41.0	52.3	56.2
Rhode Island	93.6	96.3	94.4	Florida	71.3	73.6	85.3
Connecticut	77.4	83.4	88.9	EAST SOUTH CENTRAL			
MIDDLE ATLANTIC				Kentucky	19.6	29.4	43.3
New York	41.7	52.7	63.5	Tennessee	29.1	40.0	44.0
New Jersey	46.1	54.3	68.3	Alabama	55.2	68.0	68.5
Pennsylvania	37.6	49.2	55.9	Mississippi	50.9	53.2	51.2
EAST NORTH CENTRAL				WEST SOUTH CENTRAL			
Ohio	29.5	36.0	47.1	Arkansas	31.1	39.5	53.6
Indiana	18.7	23.4	29.8	Louisiana	41.9	42.1	56.6
Illinois	35.9	37.3	44.3	Oklahoma (2)	25.5	57.3	25.3
Michigan	27.3	34.3	42.4	Texas	13.1	19.1	28.7
Wisconsin	42.3	48.3	57.8	MOUNTAIN			
WEST NORTH CENTRAL				Montana	43.8	56.4	60.7
Minnesota	17.3	20.5	21.0	Idaho	22.4	27.7	27.5
Iowa	54.2	58.0	62.3	Wyoming	43.3	47.2	54.2
Missouri	34.2	39.6	45.2	Colorado	33.0	43.2	50.3
North Dakota	13.3	14.9	16.2	New Mexico	18.9	18.5	39.8
South Dakota	13.7	17.2	15.4	Arizona	54.8	88.9	76.7
Nebraska	24.5	26.6	27.2	Utah	24.2	45.9	58.2
Kansas	25.9	32.7	36.0	Nevada	60.7	86.8	53.6
SOUTH ATLANTIC				PACIFIC			
Delaware	14.7	8.5	19.5	Washington	44.5	53.5	52.9
Maryland	23.5	27.1	34.6	Oregon	37.1	44.3	58.9
				California	53.9	50.8	61.9

(1) Including District of Columbia.

(2) Including Indian Territory, separately reported in 1900.

residing within the county. The effect of the non-residence of owners on the form of tenancy was most marked, it seems, in Texas, New Mexico, and Utah.

In a case in which a landlord considers it necessary to have an eye upon his tenant and upon the happenings on his farm as may be generally desirable under sharing plans, the closeness or remoteness of his residence becomes a matter of importance. Some landlords who live at a distance from their farms make use of agents, sometimes under quite informal arrangements, and keep contact through visits, telephone calls, and letters. By so doing it is possible for some landlords who live at a distance from their farms to surpass others who live near at hand in their ability to promote the interests which they have in common with their tenants.

In some cases frequent contact between the landlord and his tenant is not desired by one or both of the parties. Some tenants prefer uninterfering landlords, just as some landlords prefer to have but little contact with their tenants. Cash-renting contracts may help to promote these ends. In any event, cash-rent contracts appear to be better suited to the operation of farms whose owners reside at considerable distances.

Cash-rented Farms Compared with Other Farms.

How do cash-rented farms compare with farms operated by other tenants and by operating owners?

Kinds of Products. — According to the Census of 1900, when nearly 63 per cent. of all tenant farms were on a share basis, the percentage that were share rented was about average in the case of farms whose principal source of income was live stock. Rented farms in which sharing was below the general average included those whose principal source of income was flowers and plants, nursery products, vegetables, dairy produce, rice, fruits, sugar, and cotton. The proportion of rented farms that were on a share basis was above the average in the case of those whose principal source of income was from hay and grain and from tobacco (1). With the exception of cotton, which has taken an increased importance as a share-rent crop, about

(1) See "The Share Renting of Farms in the United States", by H. A. TURNER, for a more detailed analysis of this aspect.

the same relations between farms growing the crops mentioned are believed to hold at the present time.

Acreage per Farm. — In 1920 there were 29 States in which the average operating owner had a larger farm than the average tenant when both improved and unimproved land is taken into account. When the comparison is made to rest upon improved acreage only, eight States are dropped from the list of those in which owners had the larger farms. These were mostly States of the Rocky Mountain division. On the basis of improved acreage one needs to make exception only of the South and a part of New England in making the statement that tenant farms average larger than farms operated by owners.

In 1920, it appears that on the basis of both improved and unimproved land cash-rented farms were larger than either part-owner or full-owner farms in three States (New Mexico, Texas and Rhode Island), larger than those of part owners in four other States (Delaware, Kentucky, Virginia and North Carolina), larger than those of full owners in 21 other States (Massachusetts, Connecticut, Middle Atlantic States, all but four North Central States, three Rocky Mountain States, Colorado, Montana and Wyoming and the three Pacific States), and smaller than either class of owner-operated farms in 20 States, most of which were Southern States.

In short in 41 States the farms of cash tenants were smaller than those of part owners and in 21 they were smaller than those of full owners. For the country as a whole cash-tenant farms were but a trifle smaller in terms of total acreage per farm than those of full owners, though less than half as large as those of part owners. In terms of improved acreage per farm cash-tenant farms were not two acres larger than farms of full owners and barely half as large as those of part owners.

A comparison of the three classes of tenant farms, cash, share-cash, and share, when made on the basis of average acreage of all land per farm, indicates that in 1920 there were 21 States (New Hampshire, Vermont, the three Middle Atlantic States, all but four most westerly of the North Central States, the three Pacific States, and four Southern States, Delaware, Maryland, West Virginia and Georgia), in which cash tenant farms were smallest and 7 States (Arizona, Colorado, Massachusetts, Nebraska, New Mexico, Rhode Island and South Dakota), in which they were larger than all other tenant farms.

If share-cash tenant farms are left out of the count, cash-tenant farms were larger than share-tenant farms in 23 and smaller in 25 States.

States in which cash-rented farms exceed farms of other tenants and of full owners are mainly those of the Western range country. Between 75 and 80 million acres in this region have been let for agricultural and grazing use by States and State institutions, Indians, and railroads. Nearly all of this land is rented for cash in large acreage units. Part owners and share-cash tenants, of course, operate a considerable amount of this public and quasi-public land, but cash tenants operate a full share of it.

To compare farms of various sizes in respect to the relative amount of renting under different forms of tenure, one must turn to statistics published in the 1900 Census. A summary based on those statistics is shown in Table VII. Share-cash tenants are included with other share tenants in these data.

In the country as a whole, the Census statistics of 1900 show that among rented farms having between 20 acres and 1,000 acres, the percentage leased for cash was but two-thirds as much as the corresponding percentage in the case of share-rented farms. For rented farms containing less than three acres, the percentage rented for cash was over twice that referred to for farms having between 20 and 1,000 acres. In 38 States the tenant farms containing 1,000 or more acres were more generally rented for cash than farms containing between 500 and 1,000 acres and in 34 States the latter were more generally rented for cash than farms containing between 260 and 500 acres. In no other comparison of larger farms with smaller farms did the proportion rented for cash stand higher than the proportion rented on shares in more than 20 States. In general, the number of States affording exception is smaller as one passes to the smaller-sized groups. Cash renting, in short, held its own or better among both the largest and the smaller farms. It is among the smaller farms, however, that its predominance is greatest.

This merely shows that share renting is a normal form of tenancy for typical farms and that cash tenancy is applied in a disproportionately large degree to farms untypical in respect to size. Where cash rent is paid on parts of rented farms, the parts so rented are usually not typical of the farm as a whole, the cash rent being paid for woodland and other pasture and for land in special crops, often hay.

TABLE VII. — *Percentage of Tenant Farms, rented for Cash, by Size of Farms and by States, 1900.*
(Based on Census, 1900, Vol. V, Table 2).

States and geographic divisions	Percentage of tenant farms rented for cash									
	Under 3 acres	3 and under 10 acres	10 and under 20 acres	20 and under 50 acres	50 and under 100 acres	100 and under 175 acres	175 and under 250 acres	250 and under 500 acres	500 and under 1000 acres	1000 acres and over
NEW ENGLAND:										
Maine	85.4	89.9	84.3	74.4	74.2	67.1	66.3	60.3	62.5	100.0
New Hampshire	91.4	88.2	87.6	79.1	73.6	70.9	67.1	63.4	61.5	72.7
Vermont	92.3	81.2	73.7	69.6	60.4	47.2	41.2	33.4	31.9	60.0
Massachusetts	97.0	92.2	90.7	86.7	87.7	83.2	79.7	65.8	57.9	100.0
Rhode Island	93.9	98.1	99.1	94.8	93.2	89.9	96.1	94.1	100.0	100.0
Connecticut	83.5	81.3	83.1	83.2	83.2	75.3	70.4	70.4	65.0	50.0
MIDDLE ATLANTIC:										
New York	89.3	78.0	71.8	61.0	44.8	35.7	33.4	33.9	44.7	56.4
New Jersey	94.7	85.0	79.5	65.4	45.3	36.6	35.8	45.7	64.5	65.0
Pennsylvania	89.7	83.5	76.4	59.8	37.4	26.2	25.5	29.5	41.4	56.5
EAST NORTH CENTRAL:										
Ohio	79.2	53.9	41.4	34.7	29.6	26.7	26.4	27.8	34.4	21.7
Indiana	72.6	49.0	27.0	21.0	18.4	17.1	16.2	15.6	17.3	13.7
Illinois	85.0	63.2	39.0	26.9	34.4	39.3	38.8	36.4	30.7	35.3
Michigan	85.5	67.7	55.8	38.7	29.5	21.5	14.7	14.9	22.2	31.2
Wisconsin	82.8	53.5	62.0	54.0	47.5	40.3	38.2	36.1	28.8	23.5
WEST NORTH CENTRAL:										
Minnesota	89.9	78.2	66.4	43.8	26.0	14.9	13.0	9.5	11.9	18.6
Iowa	88.5	82.1	59.5	44.6	53.2	58.8	57.6	51.3	45.6	57.6
Missouri	80.1	53.9	34.5	31.8	36.1	36.5	38.8	37.0	36.1	46.3
North Dakota	87.5	93.3	81.0	48.1	35.5	19.3	10.1	9.4	12.9	20.0

Virginia	74.1	40.0	32.0	43.4	41.4	49.4	30.5	15.1	24.1	50.0
West Virginia	69.8	37.9	31.2	36.4	38.5	31.3	37.3	31.5	34.2	43.2
North Carolina	41.1	22.1	17.1	19.0	23.3	24.7	25.5	28.2	37.3	65.1
South Carolina	93.8	85.1	65.4	50.2	59.4	64.3	68.2	73.6	33.0	49.4
Georgia	75.3	50.6	27.7	36.6	47.7	56.6	61.2	61.6	76.4	78.2
Florida	85.3	76.8	73.3	74.3	74.1	62.5	63.1	57.6	66.7	57.2
Florida									61.4	65.2
EAST SOUTH CENTRAL:										
Kentucky	49.1	19.8	13.0	18.0	29.1	32.5	36.1	39.2	44.2	49.5
Tennessee	55.3	27.0	21.4	31.6	38.4	35.4	32.2	31.8	31.5	50.4
Alabama	79.9	78.9	50.2	53.7	63.8	60.5	62.2	64.9	71.8	79.4
Mississippi	75.4	53.2	38.7	50.1	68.5	69.9	71.9	73.4	74.3	90.9
WEST SOUTH CENTRAL:										
Arkansas	62.9	37.6	27.4	35.2	37.3	31.4	32.0	41.1	55.7	74.7
Louisiana	86.4	55.7	43.0	40.1	43.6	46.5	59.4	58.1	64.0	79.1
Oklahoma (1)	54.7	31.1	19.4	23.6	27.1	37.9	29.6	37.9	46.9	75.2
Texas	62.2	33.2	16.5	13.2	12.3	14.4	19.1	24.1	33.3	61.6
MOUNTAIN:										
Montana	77.8	92.0	72.0	73.8	47.9	46.0	47.2	44.8	49.6	65.5
Idaho	77.1	69.6	63.3	35.7	19.5	23.1	21.8	17.5	45.2	56.2
Wyoming	85.7	100.0	100.0	72.7	44.4	41.8	50.0	51.1	53.6	58.8
Colorado	82.8	78.0	60.9	42.1	33.9	33.3	30.8	33.7	46.4	58.8
New Mexico	27.5	10.4	14.4	24.2	23.3	29.6	38.1	55.0	60.0	57.6
Arizona	87.5	60.9	55.9	63.2	65.9	55.2	68.8	66.7	64.3	33.3
Utah	84.8	61.7	38.5	23.9	20.3	20.1	21.2	16.6	37.5	71.4
Nevada	100.0	84.2	70.0	81.2	54.8	58.5	71.4	62.5	55.9	65.5
PACIFIC:										
Washington	87.9	82.8	73.6	68.4	60.5	47.6	36.7	28.3	20.3	33.7
Oregon	82.0	75.3	66.9	57.9	45.4	37.6	29.9	28.2	32.8	47.4
California	70.1	84.6	73.3	63.4	58.2	51.6	48.6	40.6	38.6	39.3
UNITED STATES (2)	78.0	53.3	35.5	36.3	37.1	35.2	35.6	33.3	38.6	53.1

(1) Including Indian Territory, separately reported in 1900.

(2) Including the District of Columbia.

Proportion of Farm Land Improved. — In 1920 the proportion of farm land improved for the United States as a whole was 52.8 per cent. in the case of cash tenants and 69.6 per cent. in the case of other tenants. As shown in Table VIII, there were but five States in which the percentage of farm land improved was smaller in the case of farms of cash tenants than of share tenants. These States were Rhode Island, Iowa, Missouri, Alabama, and Utah. The percentage of farm land improved was two or more times as high in the case of share tenants as in the case of cash tenants in five other States, Texas, New Mexico, Colorado, Arizona and California. In general, it appears that the farms operated by cash tenants were composed of unimproved land to a considerably larger extent than were the farms of share tenants.

Yield per Acre. — On the basis of 15 comparisons the results in 11 cases were such as to support the statement that the yields per acre of corn, cotton, hay, small grain and oats were lower in the case of cash rented land than in the case of land rented otherwise (1).

Terms of Past Occupancy. — How long have cash tenants occupied their farms? An answer to this question is reported by both the 1910 and the 1920 Census reports. Comparative statistics are shown in Table IX.

Cash tenants were a smaller proportion of all tenants in each occupancy group in 1920 than in 1910. They were a fifth of all tenants in the less-than-one-year group and nearly two fifths of all tenants in occupancy 10 years and over. In 1910 the average number of years that had been spent in occupancy was 3.8 in the case of cash tenants and 2.6 in the case of share tenants. At that time cash tenants had been in occupancy longer than share tenants in all but two States. In one of these States, New Hampshire, the occupancy period of share tenants was reported to be 6.9 years. This stands as the highest average for share tenants. It exceeds by more than a year the highest State average for cash tenants, which was 5.8 years in Rhode Island. The lowest State average for cash tenants was 2.0 in Idaho and for share tenants 1.3 years in Oklahoma. For coloured cash tenants the average occupancy period in 1910 was nearly 78 per cent. longer than that of coloured

(1) See Figure 67 and section entitled "Differences in Yields per Acre" in "Farm Ownership and Tenancy", 1923 Yearbook of the United States Department of Agriculture.

TABLE VIII. — *Percentage of Farm Acreage Classified as Improved Acreage by Classes of Farm Tenants, and by States, 1920.*

(Census, 1920, V, Chap. III, Table 14)

States and geographic divisions	Percentage of farm land improved, 1920			States and geographic divisions	Percentage of farm land improved, 1920		
	All tenants	(1) Cash tenants	(2) Share tenants		All tenants	(1) Cash tenants	(2) Share tenants
UNITED STATES (3) . . .	66.3	52.8	69.6	SOUTH ATLANTIC (<i>contin.</i>) . . .	—	—	—
NEW ENGLAND	39.2	36.5	45.1	Virginia	50.3	40.5	51.1
Maine	36.2	35.1	40.9	West Virginia	53.5	42.3	61.0
New Hampshire	29.7	29.9	31.5	North Carolina	50.4	39.0	49.0
Vermont	43.9	39.6	47.3	South Carolina	65.2	56.7	68.7
Massachusetts	37.4	37.9	41.5	Georgia	65.1	54.9	58.9
Rhode Island	40.1	40.2	35.7	Florida	66.9	63.6	64.0
Connecticut	37.1	36.6	38.9	EAST SOUTH CENTRAL	68.4	60.2	65.7
MIDDLE ATLANTIC	70.2	64.6	72.8	Kentucky	68.5	48.4	71.2
New York	67.1	63.3	69.0	Tennessee	64.8	55.7	62.6
New Jersey	74.2	69.3	77.2	Alabama	67.4	64.2	63.4
Pennsylvania	72.9	65.3	76.0	Mississippi	72.5	63.8	65.4
EAST NORTH CENTRAL	80.7	76.5	79.9	WEST SOUTH CENTRAL	55.7	25.7	63.8
Ohio	80.5	76.4	81.7	Arkansas	70.4	65.1	65.1
Indiana	81.7	79.4	81.7	Louisiana	79.8	65.0	81.4
Illinois	87.3	84.0	85.8	Oklahoma	64.1	52.2	60.8
Michigan	71.9	70.2	72.6	Texas	47.7	10.1	60.7
Wisconsin	61.5	61.0	62.1	MOUNTAIN	36.9	21.1	49.7
WEST NORTH CENTRAL	74.6	69.5	74.9	Montana	43.1	33.2	48.0
Minnesota	79.2	75.3	78.6	Idaho	66.0	56.9	60.7
Iowa	86.4	80.5	85.0	Wyoming	29.6	22.8	38.2
Missouri	73.6	73.0	72.3	Colorado	43.9	25.7	52.3
North Dakota	77.4	51.1	80.1	New Mexico	9.2	3.5	27.5
South Dakota	67.2	43.3	73.5	Arizona	25.6	18.9	63.0
Nebraska	66.3	57.3	65.5	Utah	48.1	52.2	45.9
Kansas	72.2	59.1	74.1	Nevada	37.7	36.3	39.1
SOUTH ATLANTIC	60.2	50.0	58.0	PACIFIC	55.4	36.5	71.3
Delaware	70.9	70.0	71.1	Washington	68.0	44.3	75.9
Maryland	69.1	56.2	71.2	Oregon	47.7	32.4	59.9
				California	51.9	36.0	72.0

(1) Exclusive of standing renters.

(2) Exclusive of croppers.

(3) Including the District of Columbia.

share tenants. For white tenants the occupancy period was 32 per cent. longer in the case of cash tenants than in the case of share tenants.

TABLE IX. — *Term of Past Occupancy of Farms in relation to Share and Cash Tenancy, Census, 1910 and 1920.*

(Based on Census, 1920, V, Chap. VI, Table 12).

Term of occupancy of farms	Number of tenants whose rent was				Percentage of			
	Share		Cash		Tenants who paid cash		Tenants in occupancy group, 1920	
	1920	1910	1920	1910	1920	1910	Share	Cash
Total	1,806,634	1,528,389	648,170	826,287	26.4	35.1	—	—
Not reporting	104,318	77,095	32,194	47,022	23.6	37.9	—	—
Reporting	1,702,316	1,451,294	615,976	779,265	26.6	34.9	100.0	100.0
Less than 1 year	341,596	541,018	85,178	203,275	20.0	27.3	20.1	13.8
1 year	453,643	257,859	126,366	124,570	21.8	32.6	26.6	20.5
2 to 4 years	525,527	412,119	197,302	248,632	27.2	37.6	30.9	32.0
5 to 9 years	227,581	150,554	109,971	117,161	32.6	43.8	13.4	17.9
10 years and over	154,969	89,744	97,159	85,627	38.7	48.8	9.0	15.8

Farm Management Statistics Concerning Cash Tenants. — More detailed description of cash-rented farms is afforded by the summary of results obtained from five local surveys made by the United States Department of Agriculture by what is now the Division of Farm Management of the Bureau of Agricultural Economics. These results are shown in Table X. A similar table for share-rented farms, not published here, affords the basis for certain comparisons which follow.

The number of cash tenants included in the surveys was 178, the number of share tenants, 148, the number of share-cash tenants, 15, and the number of standing renters, 205. Cash tenants in these surveys, therefore, represented a somewhat smaller proportion of all tenants, 22 per cent., than are shown for the country as a whole in the 1920 Census. In average size, the farms of these cash tenants were smaller than the farms of other tenants except in the Palouse area and in the Sumter area in 1918. With a similar number of exceptions, the proportion of farm land in crops averaged higher on

TABLE X. — *Statistics of Farms rented for Cash ; 5 Farm Survey Areas.*

	State, survey area (1) and date				
	Penn- sylvania	Iowa	Washing- ton (3)	South Carolina	Georgia
	Chester	Tama (2)	Palouse	Anderson	Sumter
	1912	1918	1919	1914	1818
Number	53	75	12	21	17
Acreage per farm :					
Total	92	225	331	60	170
In crops	60	150	211	37	113
Per cent. in crops	65.5	66.8	63.8	61.6	66.8
Capital per farm :					
Total	\$ 9,572	\$ 62,673	\$ 52,926	\$ 4,320	\$ 8,697
Operator's	2,490	7,605	4,826	673	1,540
Rented	7,082	56,068	48,100	3,647	7,157
Per cent. rented	74.0	88.1	90.9	84.4	82.3
Income per farm :					
Total	1,358	4,834	5,150	325	2,022
Per cent. on total farm cap- ital	14.2	7.6	9.7	7.5	23.3
Operator's	1,079	3,825	4,241	149	1,589
Yield per acre :					
Hay	1.2	1.2	1.5	0.6	
Oats	36.2	47.0	42.6	12.2	17.2
Corn (for grain)	61.6	46.5	—	14.9	—
Cotton	—	—	—	0.46	—
Percentage of property valua- tion in :					
Land	29.8	80.1	84.5	(4)	(4)
House	22.6	2.8	3.4		
Other buildings	21.8	5.2	3.2		
Work stock	5.9	1.4	2.3		
Other stock	10.9	5.9	1.2		
Machinery	6.7	1.8	2.9		
Miscellaneous	2.9	2.8	2.5		

(1) Each survey area bears the name of a county, except Palouse, which traces to an Indian tribe.

(2) Portions of Blackhawk and Grundy counties were also included.

(3) A portion of one Idaho county was also included.

(4) Not obtained for two areas.

the cash-rented farms than on share-rented farms. The amount of capital per farm was smaller for cash tenants than for share tenants in all areas except the Southern areas and the Palouse area, which is in the Pacific Northwest. The amount of capital belonging to tenant operators averaged higher for cash than for share-tenant farms in all surveys except the one in South Carolina. The proportion of the farm capital that was owned by tenants was higher for cash than for share tenants in the Palouse and Southern areas, but in the Northern areas the reverse was shown. Farm income per farm was less in the case of cash tenants than of share tenants in the Pennsylvania survey. The tenant's income per farm was less in the case of those on the cash basis than for share tenants in the Palouse and Sumter surveys. The proportion of the farm income that went to the operator in the case of the cash tenants was larger than the corresponding proportion in the case of share tenants in all but one area, the one in South Carolina. The ratio of farm income of total capital invested was about the same for cash-rented as for share-rented farms. Little difference is likewise to be observed in the manner in which property investment is apportioned between its various elements in the case of the two varieties of tenant farms. In general it appears that tenant farms rented for cash were somewhat less productive both of physical yields and of returns on investment.

The statistics shown in Table X serve to make clear the marked differences that exist between different sections, even among tenants of the same classification. Cash tenants apparently differ among themselves no less than do share tenants. From the standpoint of property owned or controlled or of income received, it is difficult to include in one category the cash tenants of all parts of the country.

Summary of Comparison. — In the light of these factors it appears that cash renting is characteristic of tenant farms that are not fully typical of all rented farms. They tend to explain why cash tenants, despite the incentives which they have for making intensive use of the land (1) nevertheless make a showing of smaller crop yields than that of other tenants. The presence of so much unimproved land in their farms naturally results in a larger dependence on live stock. In 1920, though operating 41 per cent. of the unimproved land in tenant farms, cash renters possessed 33 per cent. of the live

(1) See TAYLOR (H. C.): "Agricultural Economics", 1919 edition, Chapter XXIII.

stock. At the same time they operated but 23 per cent. of the improved land, and probably about the same proportion of crop land.

The heavy emphasis on live stock by cash tenants is a feature of tenancy west of the Mississippi river. In much of this region the land is unimproved, and the carrying capacity for live stock relatively smaller.

§ 5. RELATION OF RENTS TO PROPERTY VALUATIONS.

The ratio of the rent received from tenant farms to the market valuation of the rented property (mostly real estate) has been made the basis of special study by the Bureau of Agricultural Economics. Before turning to the more detailed study of the relation of cash rent to farm real state valuations made by the Division of Land Economics, attention will again be drawn to the results of local farm management surveys conducted by what is now the Division of Farm Management of that Bureau.

Rent-Valuation Ratios on Cash and Other Tenant Farms.

In Table XI, there is shown for eight surveys five of which were included in Table X the ratio of secondary net rent to gross rent and to real estate valuation for various classes of tenant farms. The term secondary net rent has been used elsewhere by the writer (1) to afford a contrast with primary net rent as found in subsequent tables. The difference lies in the fact that real estate taxes are deducted in full from primary net rent to obtain secondary net rent. To obtain either variety of net rent, however, there is deducted from the landlord's total receipts a charge for depreciation of structural improvements, for tax on other rented property furnished by the landlord in addition to the real estate, and for the repairs to buildings and machinery, for the seed, feed, necessary machine expenses, and other items shared in part by the landlord or borne entirely by him.

The ratio of secondary net rent to gross rent, or landlord's total receipts, when expressed as a percentage of the latter, may be said to centre around 75 per cent. for tenant farms included in these surveys. This ratio is somewhat higher in the case of farms of cash

(1) See "Economic Aspects of Farm Ownership in Three Decades", a manuscript in the United States Department of Agriculture, Bureau of Agricultural Economics, Division of Land Economics.

tenants than of share tenants. Only 5 of the 8 areas show this to be the case, however, and the difference is not wide. This means that whether letting his farm on shares or for cash the landlord finds that

TABLE XI. — *Secondary Net Rents (1) in relation to Gross Rents and Valuation of Rented Property ; 8 Farm Surveys.*

Survey area (2)	Year	Number of				Ratio (%) of secondary net rent (1) to :							
		All tenants (3)	Cash tenants (3)	Share tenants (3)	Other tenants (3)	Gross rents, or landlords' receipts				Value of rented property			
						All tenants (3)	Cash tenants (3)	Share tenants (3)	Other tenants (3)	All tenants (3)	Cash tenants (3)	Share tenants (3)	Other tenants (3)
Chester .	1912	124	53	71	—	63.5	70.0	62.4	—	7.3	3.9	8.8	—
Clinton .	1913	45	5	(4) 40	—	70.1	71.3	70.1	—	3.2	2.9	3.3	—
Warren .	1918	56	9	17 (5)	30	75.7	70.5	67.1	82.2	4.7	2.7	4.0	5.8
Tama . .	1918	97	75	7 (5)	15	67.9	64.1	67.6	79.0	2.3	1.8	3.7	4.6
Palouse .	1919	70	12	58	—	77.8	60.4	79.6	—	5.0	1.9	5.7	—
Anderson	1914	(6) 33	(6) 21	7 (7)	5	81.9	92.7	72.4	76.0	6.0	4.8	6.0	8.6
Sumter .	1913	235	4	91 (8)	140	84.6	88.6	85.9	83.6	7.9	6.1	8.8	7.4
White .		49	—	22 (8)	27	78.1	—	78.8	77.9	6.4	—	7.3	5.8
Coloured.		186	4	69 (8)	113	87.2	88.6	89.2	85.6	8.6	6.1	9.6	8.1
Sumter .	1918	222	17	5 (8)	200	85.5	73.7	78.4	36.7	10.3	6.1	18.6	10.6
White .		56	13	3 (8)	40	83.9	71.9	84.4	85.9	9.5	5.6	10.8	10.4
Coloured.		166	4	2 (8)	160	86.3	77.7	76.8	87.0	10.8	7.3	23.7	10.7

(1) See definition, above, page 201

(2) See Table X for location of survey areas, except Clinton, a county of Indiana, and Warren, a county in Iowa.

(3) Exclusive of croppers

(4) Half of these were crop-share tenants, the remainder stock-share tenants. The ratio of rent to valuation was 3.8 of the former and 2.9 for the latter.

(5) All of these are share-cash tenants

(6) Exclusive of cash tenants operating with croppers. The ratio of rent to valuation was 3.1 in the case of three such tenants

(7) All of these are croppers with stock.

(8) All of these are standing renters

his expenses, when real estate taxes are included, are about the same proportion of his receipts. It is to be noted that the expense ratio shows wider variation from survey to survey in the case of the cash-rented farms than in the case of tenant farms worked on shares or otherwise. So far as an average can be computed, however, it ap-

pears that the expense ratio was not much less than 25 per cent. even on cash-rented farms.

The ratio of secondary net rent to the valuation of rented property (mostly real estate) was less for cash-tenant farms than for share-tenant farms in all eight surveys, less than for farms of share-cash tenants in the two surveys in which tenants of the latter group were found, and less than for farms of standing renters in the three Southern surveys showing farms of that variety. Compared with the ratios shown for share-rented farms those shown for cash-rented farms are from 32 to 88 per cent. as large. Apparently it is not unusual for the amount of secondary net rent received per \$100 valuation of rented property to be twice or even three times as high in the case of share rent as in the case of cash rent. It is quite possible that special conditions of price or yield account for the very favourable showing made on share-rented farms during the particular years of the surveys.

Limitations of Cash Rent-Valuation Ratios.

A landowner naturally receives a higher percentage of the valuation of his rented property when he shares with his tenant the risks of variation in price and physical yield than when his risk lies, almost exclusively, in the possibility that the amount of cash rent bargained for may not be paid. It is not logical, therefore, to count all of the net returns to the share-renting landlord in years of largest crop values as compensation merely for the use of land. On the other hand, it is probable that cash rents likewise fail to be exact measures of the contribution made by the real estate to production. In cash-rent contracts, the amount determined upon for the rent is a pre-season estimate of the probable use value of the real estate as determined in the light of the economic position of the real estate. Sometimes in addition to being a pre-season estimate, cash rent is actually paid in advance, thus even eliminating the chance that dishonesty or crop failure might intervene to reduce the landlord's certainty of collecting the rent. A pre-season estimate as to what the land is expected to contribute to the season's production may be too liberal in some years, but a tenant offering to hire land on a cash basis is likely to be conservative even though custom and contract assure him that he may receive some remission of rent in case the season proves to be unproductive. Neither the returns from cash-rent contracts

nor from share-rent contracts — the latter providing almost entirely for post-season computations of the rent — tells accurately the use value of farm real estate as it fluctuates from year to year (1). The results under share contracts evidence the yearly fluctuations in the influence of the weather and other physical conditions. In addition, however, they evidence the yearly fluctuations arising from personal and market conditions. The ratios of cash rents to market valuations of farm real estate, while not perfect measures, therefore, of the ratios of actual use values to these valuations, nevertheless throw a flood of light on many features of the tenure of land in various parts of the United States.

Historical Trends in Cash Rent-Valuation Ratios.

In a bulletin study of the relationship between cash rent and farm real estate valuation (2) made in the Division of Land Economics of the Bureau of Agricultural Economics, significant trends are shown for selected farms in areas in Iowa, in southern Minnesota, in southern Wisconsin, and in Ohio for the 11 years, 1910-1920. The percentage of the real estate valuation represented by gross cash rent in 1910 was 3.8 in Wisconsin, 4.4 in Iowa, 4.9 in Minnesota, and 6.5 in Ohio. In 1920, the corresponding percentages were 3.1 in Wisconsin, 3.2 in Iowa, 4.0 in Minnesota, and 5.6 in Ohio. In another series based on Ohio farms the ratios of gross cash rent to land valuation are shown for the 21 years, 1900-1920. The percentages were between 9 and 10 during the first two years and between 5 and 6 in 1910, 1915, and 1920. The number of dollars paid as cash rent on each 100 valuation of real estate was less than three fifths as much in 1920 as in 1900.

Two lines of explanation may be offered for the decline in ratios of gross cash rent to valuation. One explanation lays emphasis upon the fact that these are statistics of farms that were less representative of all rented farms during the latter part of the period covered than during the earlier part. These farms were selected in 1921 because they had been rented for cash continuously for long terms of years. Farms continuously rented for cash may be presumed to have deteriorated during the latter years when the incentive

(1) See "The Economic Aspects of Farm Ownership of Three Decades .

(2) See C R CHAMBERS: Land Income in Relation to Land Value, Bulletin 1223. United States Department of Agriculture, Bureau of Agricultural Economics, Division of Land Economics

to sell crops rather than to feed them was especially strong. Cash renting, moreover, came in later years to characterize farms whose landlords were resident too remotely or were so strongly inclined toward real estate speculation that they were not easily changed to the share-renting basis. Tenant farms left on the cash basis during the later years were apparently comprised of handicapped land owned by handicapped landlords in unusual proportions. Many of these farms that would have been sought after by tenants competing strongly for them on a cash basis in the early years of the century were not bid for so strongly in the later years. It may be assumed that the average cash-tenant farm with a record of having been continuously cash rented for a long term of years did not stand as much below the other tenant farms in valuation per acre in 1920 as the gross rents paid on them during that year stood below the corresponding rental figures for other tenant farms. In other words, it is probable that the ratio of gross cash rents to real estate valuation underwent a more marked decline between 1900 and 1920 in the case of continuously cash-rented farms than in the case of other tenant farms.

Even for the average tenant farm, however, it may be assumed that there was a downward trend in the ratio of rents to valuations. As the author of the bulletin points out the long depression in the eighteen nineties had not been forgotten during the early part of the new century. Incomes from farm land up to this time had not increased so rapidly as they increased after 1900. Anticipated upward movement in real estate valuations became an increasingly large influence in investment for low rental returns on current valuations. Declining tendencies in the rate of interest on first farm mortgages also worked to the same results.

Summary of Cash Rent-Valuation Ratios, 1920.

In Table XII are some results of a study based upon information in 123,378 farm schedules returned to the Census during the course of the enumeration in January 1920. It is not always clear whether the reports show rents that were paid in 1919 or rents under contract for 1920. The valuations, however, are doubtless the estimates of the tenants for the first part of the year 1920.

The average valuation of real estate per acre of cash-tenant farm land, as shown in Table XII, was highest in the case of negroes who had been in occupancy one year or less and in the case of Japan-

ese tenants who had been in occupancy ten years or over. In the case of white cash tenants, the average valuation per acre was highest in the case of those in occupancy between two and four years and in

TABLE XII. — *Relation of Term of Occupancy to Cash Rents, 123,378 Farms of Ten Acres and over operated by Tenants having Different Surnames from those of their Landlords, 1 January, 1920.*

(Adapted from Table 22, Relation of Land Income to Land Value, Bulletin 1224, United States Department of Agriculture, Bureau of Agricultural Economics, Division of Land Economics).

	Totals			Term of occupancy			
	Grand total	Not reporting	Reporting	1 year or less	2 to 4 years	5 to 9 years	10 years or more
Number of Farms:							
Total	123,378	3,987	119,391	40,929	42,170	20,018	16,274
White	78,537	2,070	76,467	29,660	26,886	12,005	7,916
Negro.	42,298	1,852	40,446	10,326	14,250	7,629	8,241
Japanese . . .	2,543	65	2,478	943	1,034	384	117
Average cash rent per acre (dollars):							
White	5.25	5.90	5.23	5.88	5.15	4.75	4.39
Negro.	6.68	8.24	6.61	8.21	7.15	5.97	4.71
Japanese	22.51	20.37	22.58	23.93	21.50	21.34	23.60
Average valuation per acre (dollars):							
White	152.00	137.00	152.00	147.00	157.00	152.00	151.00
Negro.	65.00	83.00	64.00	77.00	68.00	62.00	45.00
Japanese	404.00	294.00	408.00	365.00	409.00	483.00	538.00
Ratio of annual cash rent to valuation (dollars per \$100 valuation of real estate):							
White	3.5	4.3	3.4	4.0	3.3	3.1	2.9
Negro.	10.3	9.9	10.3	10.7	10.4	9.6	10.4
Japanese	5.6	6.9	5.5	6.6	5.3	4.4	4.4

general was more uniform than in the case of either class of non-whites. The statistics indicate that in the case of tenants whose term of occupancy was short the ratio of rents to real estate valuations was high. The gradation shown in Table XI is consistent with this principle.

This is shown to have had one exception, that of negro tenants who had been in occupancy ten years or more. These tenants had paid rents the ratios of which stood higher than the corresponding ratios in the case of tenants in occupancy between five and nine years. With this exception it appears that the tenants having long terms of occupancy were paying cash rents that stood low in relation to real estate valuations.

The period a tenant has spent in occupancy is not to be confused with the duration of his lease. It is probable, however, that the percentage of tenants in occupancy two or four years, who were operating under cash contracts made within the year 1919, was much smaller than the corresponding percentage in the case of tenants in occupancy a year or less. Contracts made within the year before the Census of 1920, or as early as the time of the Armistice, were either made for lands whose valuations did not bound upward during the boom of 1919 as much as did other land or were made at rental figures evidencing a marked optimism on the part of tenants. The extent to which these influences operated doubtless differed from one section to another. Cash-tenant lands in some sections, especially where negro tenancy prevails, were lands of less than average value, lands starting with low valuations were not ordinarily the lands most characterized by increments during the early post-war boom in farm real estate. Tenant optimism, however, was apparently a factor in many parts of the country. These can be regarded as conditions prevailing but temporarily during the early post-war period.

In addition, however, there were several more or less normal influences at work, causing the ratio of cash rent to land valuation to be higher in the case of tenants in occupancy for the shorter periods. The consideration in rent contracts, even of the purest cash types, is seldom exclusively a cash consideration. The sundries that have a place as a part of the consideration are probably more general and more numerous among tenants whose terms of occupancy run into several years than in the case of tenants who have recently come into occupancy. The cash rent reported to the Census naturally excluded all such non-cash items in cash tenant contracts. The rental announced as cash only would on that account represent a larger percentage of the valuation of the real estate, other things being equal, in the case of farms whose tenants had been in occupancy for shorter periods than in the case of other tenants.

Further reference to Table XII indicates a wide difference between the ratio of cash rent to farm real estate valuations in the case of tenants differing in race and colour. The ratio was shown to be lower in the case of white cash tenants than in the case of non-whites. While rents paid by Japanese were much higher than those paid by negroes, the ratio of rents to valuations was higher in the case of negroes than in the case of Japanese. Several factors have doubtless contributed to this condition. On the other hand, landowners who let land to negro cash tenants often do so under conditions that impose either a certain amount of supervision and risk that the rents in critical years may be uncollectable or that impose other conditions which cause a widespread difference to exist between gross rents and net rents. Many of these conditions do not apply to Japanese cash tenants. On the other hand, the Japanese and the negro cash tenants operate in widely separated geographic areas. This brings us to an aspect that is especially important.

Geographic Variation in Cash Rent-Valuation Ratios.

The differences between ratios shown for whites and non-whites are more clearly understood in the light of geographic conditions. The Japanese cash tenants were in States of the Mountain and Pacific divisions, more particularly the latter. Negro cash tenants were mainly in the three Southern divisions. Only a sprinkling of non-white cash tenants was found in other sections. A wide range in the difference of ratios of cash rent to real estate valuations is found between these regions (Fig. 3).

The extent of the variations may be summarized as follows. Cash tenant farms in selected North Central counties showed an average ratio of rent to valuation of 2.89 per cent. ; in Pacific counties, 4.26 per cent. ; in New England and Middle Atlantic counties, 4.49 per cent. ; in Mountain counties, 6.34 per cent. ; and in Southern counties, 7.26 per cent. The States whose selected counties showed the highest average were Arkansas, 10.66 per cent. ; Mississippi, 10.04 per cent. ; and Arizona, 8.37 per cent. On the other end of this scale were North Dakota, 2.17 ; South Dakota, 2.52, and Nebraska, 2.59. Some individual counties showed percentages 10 to 12 times as high as others (1).

(1) See "Relation of Cash Rental to Farm Valuation" a preliminary statement of the United States Department of Agriculture by the present writer.

Among possible factors causing sectional variations the following may operate: (1) lack of uniformity in the rates of interest at which capital has been available for land purchase; (2) differences in types of farming as distinguished by demands upon owners for the supervision of tenants and the furnishing of supplies; (3) differences in the real and fancied desirability of various regions from the standpoints of markets, residence, or other considerations, and differences in the direction and degree of expected changes in the price of farm real estate.

The extent of these differences, so pointedly shown, by cash rent ratios, is so great as to seem almost anomalous. Holding land on 28 years' purchase, as indicated by the gross cash rent of \$5.45 on land worth \$154.00, to speak in averages may not seem strange. To hold it on a basis of less than 10 years' purchase in some parts of the country and on a basis of more than 40 years' purchase in other parts, however, seems hardly consistent. Why do owners retain title so generally in the latter case and why do tenants not buy more generally in the former?

Rent-Valuation Ratios in Relation to Increment and Interest Rates.

Economic conditions in Corn Belt agriculture were such that land valuations rose with marked persistence for over half a century. The increment came to be counted upon almost everywhere as a part contributor to the wealth and borrowing power of the landowner. Bids for the purchase of such lands were drawn up to the level set by persons who were able to or who thought they were able to make out with small rental incomes until ready to complete their harvest by reaping the advantages of increment. Some tenants doubtless paid less rent than would have been required if buyers of this kind had withheld their influence, or in any event it appears that their rents were made smaller relative to land valuations. Of those tenants who were able to get the use of land at a contract figure less than the full economic rent, some found their way to ownership assisted by the increment. This is particularly true of those who both rented and bought during the first or second decade before the World War.

In sections in which high ratios of rent to land valuations were general it appears that increment was not producing results such as those just described. Cash tenants continued to pay gross rents in excess of 10 per cent. of the valuation of farm real estate, despite the fact that purchases of real estate had quite generally been followed

by rising valuations. In these sections, however, the mortgage rates of interest had been high as compared with rates prevailing in the Corn Belt and Eastern sections. Moreover, a large proportion of the tenants in these sections, even a large proportion of tenants engaging under cash-rent contracts, were heavily in debt to cover their annual operations. For them to buy the land under mortgage at prevailing rates would often be more hazardous than to pay rents even though the rent stood high in relation to land valuations.

The Federal Farm Loan system up to January 1920 had been less influential in reducing rates on farm mortgage loans in the Western and Southern States than it appears to have been in more recent years. Whether lower ratios of cash rents to land valuations will result in those States remains to be seen. The ratios of cash rents to land valuations, as reported by correspondents of the Bureau of Agricultural Economics for 1922, appear to have been higher in 1920. Since 1920, economic conditions in most parts of the country have worked against the growth of competition among buyers of farm real estate. In case of another period of competition among actual farmers to take over the title to farm lands, it is reasonable to suppose that bank credit arising from the Federal Farm Loan system will have a more stimulating effect in Southern and Western States than in other sections. In any event, loans through these banks are available at the same rate in all parts of the country and their ability to outcompete other sources of credits is especially marked in these sections.

Despite certain levelling influences, however, wide differences in the ratio of rents to land valuations persisted from section to section. There is a striking resistance to the standardization of the rates of capitalizing land income. This is not to be so greatly wondered at perhaps in a country of such continental extent as the United States.

§ 6. GROUNDS FOR PREFERRING STIPULATED RENTS.

The movement from non-share to share tenancy had proceeded farther in the United States in 1920 than at any previous Census date. The movement away from cash tenancy during the present century need not, however, be regarded as a symptom of widespread weakening of the economic standing of tenant farmers in this country. Many cash tenants have obtained the yearly use of farms for rents that were small percentages of their selling valuations, much smaller, apparently, than they would have paid on sharing contracts. Cash

tenants, of course, have not been as well hedged against adverse movements in prices of products and in cost of production as have sharing tenants. The disastrous effect of conditions developing in the latter part of 1920 and still continuing in many sections would doubtless have stricken tenant farmers even more severely if they had previously been competing too keenly for cash-rent contracts, and especially if such competition had taken the form of leases for long terms.

Nevertheless, non-share tenancy must be expected to continue as a form of tenancy, especially adjusted to the needs of many tenants and owners in the United States. Many landlords prefer non-share tenancy because renting to cash or standing renters is less bothersome than to share tenants, the income is more certain and incentive to keep the land producing to its full capacity is stronger, the process of lease agreement and construction is usually simpler and tenants with larger accumulations of capital and experience are more likely to be available, if not as standing renters, quite certainly as cash renters.

The tenant's preference for cash tenancy lies in his opportunity to get the benefit of the application of superior abilities in producing and marketing and to have a sense of freedom from minute supervision. He is often influenced also by the relatively small rent which he must pay under cash contracts.

These influences toward non-share tenancy are strong despite the fact that tenancy of this form decreased in relation to share tenancy during much of the quarter century of upward-moving prices that preceded 1920. The failure of the price trend to continue after 1920 may modify the preference of many landowners for the share basis and open the way for a larger relative amount of non-share tenancy. This may bring some advantages to the families of tenants who are willing to work hard and are able to assume safely the risks of adverse movements in the costs and prices of their products.

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BIBLIOGRAPHIC NOTE.

The bibliography of published material employed in the preparation of this article is similar to that published with "Share Renting of Farms in the United States", in the *International Review of Agricultural Economics* for October-December, 1923.

INDIAN IRRIGATION AND THE PUNJAB CANAL COLONIES

§ 1. THE NEED OF IRRIGATION.

OWING to the great and striking variety in meteorological conditions throughout India, not only is rainfall a variable and uncertain quantity, but its distribution is unequal and it is frequently liable to serious shortage or seasonal deficiency. The average recorded rainfall seldom deviates from the registered normal of 45 inches, but the differences between the several regions are phenomenal. These variations may be illustrated by the case of Cherrapunji on the Assam Hills, where the average level is 480 inches a year — it was 905 in 1861 — and by upper Sindh where the rainfall seldom exceeds 5 inches in the year.

The fickleness of the weather thus renders vast areas of the country liable to heavy floods and inundations or, on the other hand, to dry years and complete failure of rains every five or ten years. The year in which the rainfall is below 25 % of the average may be classed as a dry year, while a shortage of 40 % would make it a year of serious drought.

Famines are the inevitable result of the serious shortages in rainfall and it has been roughly calculated that every fourth or fifth year in India witnesses the ravages of partial famines, while every seventh or tenth year the country is visited by famines of great severity. Modern transport facilities have made famines in the older sense of absence of food, quite difficult, if not impossible. In these days famines are produced, because nature declares a lock-out, farm-labourers have to be dismissed as field work comes to a standstill, and in the absence of any reserves of capital, food of which the supply may be abundant in the neighbourhood, cannot be purchased. Thus both farmers and farm labourers are compelled to throw themselves on Famine Relief Operations.

In an economically prosperous country, with an average high standard of wealth among the masses and with trade and credit organized, the disastrous results of famines may be considerably alleviated. But when we bear in mind that in India more than 80 per cent. of the population is rural and lives in hundreds of thousands of villages of from 250 to 350 inhabitants, that the agricultural industry so far organized, on the whole, on a primitive and unprofitable basis, constitutes the sole means of livelihood for more than 200 million people, we may realize the extent of the people's sufferings occasioned by these famines.

It is to mitigate the worst effects of recurring famines that the great irrigation systems of India have been constructed.

In order to be able fully to appreciate the amount of benefit conferred by the irrigation canals on the agricultural communities in India, it would probably be the best thing to visualize their extent, the regions through which they pass, and which they serve to fertilize. To this end we should draw a map of British India, blocking out all those parts where the average rainfall exceeds five inches, all tracts higher than 1,000 feet above sea level, and all territories belonging to the Ruling Princes. In other words, we should take into account only the areas stretching from Karachi throughout the whole of Sindh, the Punjab, the United Provinces, and as far as the boundary between Behar and Bengal.

This precarious area of British India, forming a crescent, as it were, is liable to severe visitations of famine: in these regions are to be found the great river systems of India, which feed the network of irrigation canals.

Irrigation has from time immemorial played a very considerable part in the agricultural economy of India. We come upon historic references to the practice of irrigation many centuries before the commencement of the Christian era. Wells, tanks and reservoirs for the storage of rain water and inundation canals have existed for centuries. We also possess documents showing how water was drawn off from the Indus to irrigate Sindh and the Western Punjab. In Burma, Rohilkhand and the sub-montane districts of the United Provinces and the Punjab, the vestiges of ancient irrigating channels have been discovered, and these have furnished the basis for recent improvements and large scale construction on scientific lines. For instance, the Eastern Jumna Canal in the United Provinces and the Western Jumna Canal in the Punjab have

been built upon the two old canals from the Jumna which, however, had the drawbacks of all inundation canals, inasmuch as they ceased to operate when the depth of water in the river-bed was below a certain level. The Grand Anicut across the Cauvery in Madras also functioned until the end of the nineteenth century, supplying surplus water to the Cauvery Delta Canals, while the Hasli Canal from the Ravi has now been replaced by the Bari Doab Canal in the Punjab.

It falls beyond the scope of this paper to deal at length with the irrigation works outside the Punjab. We may incidentally mention, however, that nearly 28 million acres are commanded by the Canals throughout India, and that, in the near future, the aim of the authorities is to assure permanent or quasi-perennial water supply to 40 million acres.

The creation of the Canal Colonies of the Punjab has been a remarkable achievement and reflects great credit on the foresight and consummate skill of the pioneers in the Irrigation and Settlement branches of the Administration.

We have said above that in numerous instances the irrigation canals have been built on old foundations. The great exception, however, is the water-shed between the Jhelum and the Sutlej. No irrigation facilities ever came to the rescue of this inhospitable country, consisting, until recently, of vast stretches of barren Crown waste. Nomad shepherds and camel drivers roamed here at large, pitching their tents in the neighbourhood of rivers, or in oases in the close vicinity of wells, round which these tribes would settle down for a season.

The Lower Chenab Canal has converted this wilderness into a garden. Before the process of colonization began in 1892, cultivation was confined to the fringes of the rivers. Today, the value of the crops grown on the lands irrigated by the Chenab Canal varies between 16 and 20 million pounds sterling. This canal carries the discharge of 10,700 cubic feet a second, which it distributes with the help of 2,243 miles of distributaries drawn from 427 miles of the main canal. This canal has proved most remunerative to the Government; the capital account stands at $3\frac{1}{4}$ million pounds, on which it yields an annual return of 47 %. Its revenue account showed up to January 1924 an accumulated profit of $16\frac{1}{2}$ million pounds, after all interest charges and working expenses had been met.

§ 2. PRODUCTIVE IRRIGATION WORKS OF THE PRESENT CENTURY.

The appointment of an Irrigation Commission, consisting of irrigation and revenue experts was the most important event for the development of agriculture in the Punjab. This commission, under the chairmanship of Col. Sir Scott Moncrieff, toured throughout Northern India, collecting information and sifting the evidence submitted to it and exploring the possibilities of extending irrigation in the Punjab. The Commission, appointed in 1901, submitted a report in 1903. Schemes sent up to the Government had to be re-examined in the light of the recommendations embodied in the report.

Previous to the appearance of this weighty report the amounts spent on "protective" works as an insurance against famines were negligible and the policy in regard to "productive works", that is to say the undertaking of canal construction on a purely commercial basis, inclined, perhaps, to undue caution. The year 1905-6 marks the beginning of a new epoch, when a forward policy was inaugurated and the Government spent for the first time £1,250,000 on the different varieties of irrigation works. Within six years, the annual expenditure incurred on protective and productive works more than doubled itself. The policy has fully justified itself and has been the instrument of bringing prosperity and extensive cultivation into regions which, in spite of great natural fertility, were abandoned and desolate by reason of a precarious rainfall and the restricted utility of wells and inundation canals.

The Triple Canals project in the Punjab, completed in 1917 at a total cost roughly estimated at £10,500,000, is a remarkable triumph of engineering skill, while one of its sections, the Upper Chenab Canal, is the largest permanent irrigation canal in the world.

Between them the Upper Jhelum Canal, the Upper Chenab Canal and the Lower Bari Doab command 3,997,000 acres or 6,250 square miles and in 1919 no less than 1,711,000 acres were brought under the plough by the aid of the water supply thereby made available. Further remarkable extensions to culturable land have been effected by vast stretches of Crown waste lands, running into 1,490,000 acres, coming within the fertilizing zone of these works.

Next in importance ranks the Lower Jhelum Canal which commands nearly 1,160,000 acres of culturable land.

§ 3. THE SCHEMES OF DEVELOPMENT.

It is not proposed to recapitulate the points already elucidated in a previous article (1), but it may be useful to remind ourselves of the fundamental objects of the schemes that have been put in operation in this and other canal colonies. These may be summarized as follows :

1. The aim is to plant the nucleus of a village community, particularly in those areas where the population has not had sufficient skill and capacity for work to develop naturally into an agricultural community. In order to maintain cohesion among the cultivators, efforts have been made to settle members of the same community in certain villages. The ground is thus prepared for co-operation between the richer and poorer elements among the settlers. The weaker ones can, when occasion arises, borrow seed, tilling implements and even money from the better off. This experiment has, on the whole, worked quite satisfactorily.

2. In the selection of candidates, it has always been the aim to encourage those who are solvent at the beginning of their careers, and who are equipped with sufficient resources to grapple with the initial difficulties attendant on settling down in new surroundings. There have been exceptions to this rule, and these will be dealt with later.

3. In the earlier canal colonies, the general practice has been to let the tenants-at-will of a few years' standing acquire inalienable occupancy rights in the holding, either free of charge or at a privileged price. This procedure has now been somewhat modified, and tenants are given the option to purchase alienable proprietary rights, after the occupancy rights have been maintained for an agreed term of years.

The extent of the peasant-grants is generally from $1\frac{1}{2}$ to 2 squares, or about forty to fifty acres. Much larger grants are made to hereditary land-owners of substantial means and approved social status, while still more extensive grants are made to enterprising capitalists who are willing to conduct experiments, at their own

(1) "Canal Colonies in the Punjab", by Sir James DOVIE, in the *Monthly Bulletin of Economic and Social Intelligence*, January 1915.

cost, in improved methods of cultivation, with steam ploughs or machinery driven by electric power, etc.

Certain methods show a marked divergence from those resting on purely economic considerations, but this involves no aspersion on them. Planting avenues of trees along side of newly constructed roads would, for instance, be normally recognised as the primary duty of the District Board. But the Colony authorities have contrived to encompass the same object — and quite successfully — by granting a few acres of land to people who undertake to plant, nourish and generally look after the trees, on pain of suspension or confiscation of their grants in the event of non-performance. These grantees are called *Abadkars Darakhthal* (literally “guardians of trees”). Others again who exercise a general supervision over saplings and nurseries and who distribute proper seed go by the name of *Zakhradars* (literally “keepers of supply”) and these are granted lands, subject to specific conditions. There are good men in both the categories, who discharge their duties faithfully, without any external pressure. Others are kept straight by a system of fines, partial resumption of their grants, and as a last alternative, by the threat of complete confiscation.

The Army Remount Department are also relieved of the onerous task of breeding horses, fixing standard types and maintaining studs by an arrangement whereby cultivators, known to be good horse-breeders, are sold land at prices roughly Rs. 25 an acre lower than those obtaining in the open market, on the definite understanding that they will go on breeding horses for the Army. The fundamental defect of the system would appear to be that as the foals approximating to the Army standards are practically unsaleable in the public market and as the Army offer to buy only one out of eight foals, the loss to the *Ghoripal Abadkar* must be considerable. The Financial Commissioner of the Punjab observes that some coercion of individuals is involved in the system, but there is no lack of applicants and lands with service conditions attached to them fetch fairly good prices, even though proprietary rights cannot be conferred on the owners of these grants and the rule of primogeniture is strictly enforced (1).

Sir John Maynard, however, lays down the dictum that when agricultural lands are heavily weighted with specific service condi-

tions, the price that we have to pay is a retarded agricultural development (1) and Sir Edward Mac Lagan observes: "That the horse-breeding colonists should be compelled to breed a class of animal which is bred for a particular purpose and is not easily marketable and should only be able to sell to Government one in eight of the foals born appears to His Excellency to constitute a distinct grievance and to indicate a considerable waste of energy and possibly of Government money. What happens to the surplus stock is not apparent, but it would seem desirable to make arrangements to assist breeders to dispose of their unwanted animals" (2).

§ 4. THE EFFECT ON LAND VALUES.

There is no doubt that the opening up of communications and the organizing of marketing facilities have combined with the extension of irrigation in producing not only steadily increasing but soaring prices for the land. About the year 1870 unirrigated land had practically no sale value, as no extensive clearances of waste land had then been effected, the Cadastral surveys which demarcated and strictly defined proprietary rights had not until then been undertaken, and it was only round about that year that Land Revenue Assessment was definitely fixed for periods of ten, twenty or thirty years. All the above factors contributed, with an increasing population, to intensify the competition for land, investment in which was considered profitable by the urban capitalists.

Some concrete figures may here be given to convey an accurate estimate of the striking rises in the purchase and rental values of land in these colonies. We have said above that prior to 1870 land in the Punjab had practically no purchase value. It is interesting to observe that in 1897-8 it sold for Rs. 58 (approximately £4) an acre. In the Chenab Colony, the sale value of land rose from roughly £3 sterling in 1892 to £7 10s per acre in 1900, and at Lyallpur, the headquarters of the Chenab Colony, an acre of irrigated land realized £9.

The above are remarkable figures, but when we turn to the statistics furnished by the recent report of the Punjab Colonies, the figures quoted above pale into insignificance.

(1) REPORT ON THE PUNJAB COLONIES FOR THE YEAR ENDING 30 SEPTEMBER 1918.

(2) REPORT ON THE PUNJAB COLONIES FOR THE YEAR ENDING 30 SEPTEMBER 1921.

In 1919-20 the Government held auctions to test the value of land in general and of building sites in particular. Fabulous prices were realized at the sales. In the Shahpur District each acre of a residential site was sold for nearly £6,000, while sites for shops fetched £34,000 an acre. The "boom" continued the following year, attesting the growing prosperity of at least the "War profiteer" section of tradespeople and business men.

The Deputy Commissioner of Shahpur wrote: "The prices at Phularwan eclipsed the results of all previous auctions. The height of the prices was due to the general rise in value, to the great prosperity which the opening of the Upper Jhelum Canal has added to this place, to the boom in the Colony Town building sites and houses and to the heavy bidding of a big investor from so far off as Dera Ismail Khan. The boom has now somewhat subsided and a good many purchasers of Bhalwal sites at any rate are regretting their bargains" (1).

In the Lower Jhelum Canal Colony, land put up for auction by the Government in 1919-20 fetched more than £40 an acre, and in 1920-21 more than £30 an acre. There also, the most phenomenal rises were those for the sites of bazaar and market shops and dwelling houses. The sites for bazaar shops averaged £11,709 10s. per acre, the sites for market shops £29,060 per acre and sites for dwellings £11,105 8s. per acre.

That the above prices prevailed after the "boom" in land which had set in 1919 had subsided, bears testimony to the great prosperity of at least a section of the capitalist cultivators, from the purchases by whom roughly £36,255 were realized (2). Some of these purchasers discovered that their zeal had got the better of their discretion and sold, at a loss, lands which they had bought at speculative prices. It was hardly to be expected that these investments would bring in adequate returns, but buildings have been put up on all the sites, most of which are now complete.

In the Report for 1921-22 on the Canal Colonies the Deputy Commissioner pointed out that no share of the enormous sum of £29,156 realized for the sites sold in January 1920 had been paid to this town, and the town still needed a proper water-supply and a drainage system. He added: "I submit that a revision of the orders

(1) REPORT ON THE PUNJAB COLONIES FOR THE YEAR ENDING 30 SEPTEMBER 1921.

(2) The amount includes small outstandings from 1919-1920

on the subject is required and that a definite share ought automatically to accrue to every town to enable it to keep pace with the demands for raised roads and drainage which arise together with new buildings, and to help it towards the provision of a water-supply and drainage ”.

In the same Report the Deputy Commissioner remarks: “ Rents are high and the sales attracted purchasers, many of whom also wanted opportunities for investments in real estate. But here, again, the Municipality’s funds did not benefit while its responsibilities were increased ”.

§ 4. THE PRINCIPLES OF DEVELOPMENT.

The object which the Government have steadfastly sought to promote in these colonies may best be expressed in terms of an Official Memorandum issued by the Revenue Secretary of the Punjab Government, and dated 1st March 1916. The Government are therein quite fittingly described as “ the trustee of the vast potential wealth of these colonies ”.

In an impartial survey of the conditions and difficulties with which the necessarily slow development of heretofore desert areas is faced, a generous allowance must be made for the tardy provision of the amenities of civilization, such as schools, hospitals, post and telegraph offices, water-supply and sanitation. In regard to sanitation, however, it must be obvious to people with a knowledge of local conditions that, crude and primitive as the sanitary arrangements still are and must remain until the devising of a suitable drainage system, these are in the Colony tracts greatly in advance of those outside these areas.

Sir James Douie has already shown in the article cited above how the fields are properly laid out, divided and sub-divided into so many rectangles, how sites are marked out for the deposit of village rubbish and manure, long before the grantees arrive to take possession of their fields. It would appear, judging from the rapid strides these colony towns are taking in agricultural and commercial importance that the introduction of up to date sanitary arrangements is only a question of time. There is no dearth of sanitary engineers and the presence of rivers guarantees the water-supply.

In the Report on the Punjab Colonies for 1917-18, Sir John Maynard says: “ What is wrong in these matters is that the Depart-

ment concerned has not realised the distinction between the slow development of the normal District and the complete revolution which takes place when irrigation is introduced in a desert. For the former, the ordinary principles of gradual addition to existing facilities are appropriate. For the latter, the question is one of creating a new machinery for an almost entirely new population and substantial special appropriations are needed".

He points out that no new veterinary hospitals have been established since the Lower Bari Doab Canal came into existence in 1913, that the lack of adequate medical facilities was apparent in the fever epidemic of 1917 and again in the influenza epidemic of 1918, though Government have made substantial grants for the construction of a network of Colony roads and communications.

The absence of dispensaries and hospitals sufficient to meet local needs is a grave omission, but local authorities have not had the means to finance these indispensable necessities, while the Government were faced with the need for economies, owing mainly to the financial stringency caused by the War.

The Report of 1918-19 expresses the hope that the provision of primary education for these districts will be proportionate to the expansion of educational facilities throughout the province. In 1921 His Excellency the Governor referring to the Lower Bari Doab Canal said: "Communications are still bad: Schools, post offices and hospitals have still to be provided. Improvement depends on the provision of funds and the present is not a time at which any considerable amount of money can be made available". In the Report for 1921-22, the Deputy Commissioner of the Shahpur District writes of the Lower Jhelum Canal Colony: "The normal school has been transferred to Lala Musa. There has been no addition to high schools and middle schools, but four primary schools have been added. Two out of five girls' schools have disappeared".

Lyallpur, the capital of the Upper Chenab Colony is today a flourishing town, with a large and important export trade. The population of the tract has increased from 8,000 to 800,000 in the course of ten years. The value of the crops grown on lands irrigated by the Lower Chenab Canal (1,700,000 acres) was £16,000,000 in 1919-20. The irrigation canals throughout India play a very essential part in increasing the productive capacity of the soil. But for them the value of the agricultural produce of India, as a whole, would be very much lower than £180,000,000, which is the present computation.

§ 5. SOME RECENT DEVELOPMENTS.

It may be an occasion for regret that the economic position of the mass of cultivators has not been made the subject of regular investigation. For this reason sufficient and conclusive data are not available on which observations may be based. From official records we ascertain that the mass of cultivators "are incredibly poor beyond all Western conceptions" (1).

But great improvements have been discerned as taking effect in the canal colonies. The Great War in which so many thousands of Punjab peasants fought appears to have changed their outlook and made them discontented with things as they are. They no longer accept their position as inevitable or irremediable.

Those that have been to France have come back with the conviction that, given favourable conditions, they also can make their lives comfortable and their homes as attractive as those of the industrious and thrifty French peasants with whom they associated.

Discontent with the present, however, though it may lay the foundations of future progress, can not in the absence of initiative and capital assure prosperity in the present. The returned soldiers have, in certain instances, become the centres of optimism and enlightenment among the unsophisticated mass of peasant-proprietors, but they have also brought with them new ideas and aspirations, which under the spur of impatience and without proper direction have produced unsettlement.

The agricultural workers or peasant-farmers are no longer an inert mass, without any sense of their rights and grievances. In spite of their illiteracy they are interesting themselves in things today which ten years ago were completely beyond the utmost limits of their mental horizon. The vernacular newspapers are finding their way into the villages. After the day's work is over, and the villagers pass the *hookah* round the group squatting on the ground or lolling on the *charpoys* (Indian beds), in the intervals of gossip, important topics of the day, which hitherto engrossed the attention of the town lawyer or the college student, are discussed with eagerness and at times with a great deal of intelligence. The insularity of village life at last appears to be broken.

(1) STATEMENT EXHIBITING THE MATERIAL AND MORAL PROGRESS OF INDIA, 1922.

Judging from the amount of jewellery — especially gold bangles — purchased during and after the War, it would appear that evidence of prosperity is not wanting in the canal colonies, though it is difficult to ascertain which sections and what proportion of the population are becoming more prosperous. An appreciable rise in the standard of living is also apparent. There are no available data by which the extent of this rise may be estimated but progress is obviously being made in certain directions.

1. An increasing number of peasant-farmers and even farm-labourers are wearing better clothes and repudiating the coarser homespun to which they were accustomed before the colonies came into being. It is hardly necessary to refer to the conditions of the landed gentry, though not many have progressed with the times, and some only excite jealousy among the humbler cultivators with their smaller squares, who do not understand why absentee landlords, who have seldom worked with their own hands and who hire field labourers, should get more extensive grants than theirs.

Speaking of the smaller proprietors, it is no exaggeration to say that their lot is steadily improving. As their production is small, they can not avail themselves of the high prices that obtain in the neighbouring market, much less the world markets. But their production is gradually increasing as they apply themselves with greater energy and vigour, under the inspiration of the co-operative movement. As competition and pressure on the land increase, as a direct result of the increase in population, the small holders are realizing that nothing but hard work can make them survive the harder struggles for existence.

Some of the larger proprietors having benefited considerably during and after the War from inflated prices, are, unfortunately, resting on their oars, trying to balance a low standard of comfort with a low standard of effort. But on the whole things are moving in the progressive direction, and the peasant-farmers are developing better initiative and capacity for hard work. As a matter of fact, the majority of cultivators have always been known for their habits of industry, frugality and unremitting toil.

2. A steadily increasing number of peasants and villagers generally have taken to travelling. A sense of curiosity, the desire to get into contact with the outside world, the feeling of dissatisfaction with a monotonous existence in the village, impel them to make acquaintance with the larger world to which they have been strangers so far.

The corporate life of the village is bound ultimately to benefit from this widening of experience, even though the experience be at present confined to a small minority.

Mr. Darling in his recently published book, "The Punjab Peasant in Prosperity and Debt", tells us of these ambitious rustics, arriving on the railway platforms with all the crude and somewhat amusing paraphernalia of their village life, their *hookahs* and even parts of ploughs, swaggering by mistake into second-class carriages and making themselves generally noticeable.

Some of these tourists are reported to have gone as far as Bombay and to Agra to visit the Tajmahal and other historic monuments.

3 The cultivators are also reported as having considerably improved their dietary. The more frugal food which accompanied a precarious existence or the uncertainty which paralysed effort, is being replaced by plenty of milk and curds. The use of meat is still uncommon, and there is still a wide gulf which separates the comparatively simple meals of the Indian farmers from the more nutritious food essential for sustained hard work. But there are clear signs that the quality of food is improving, that wheat is slowly replacing the coarser millet and spiked millet, at least among the more prosperous sections. The evils of drink are, happily, not serious for the cultivators.

4 There appears to be a distinct improvement, albeit slow and not diffused among all sections of the community, in the style and general construction of houses. The mud-plastered huts can still be seen in abundance in the riverain tracts and the sub-montane districts of the Punjab, but in the canal colonies the money-lender no longer monopolizes the red-bricked houses standing out in sharp relief above the clusters of very primitive and crude structures around. A better class of houses is being put up.

The settlement in the colonies of Indian Officers with war experience in Europe, further conduces to the construction of more comfortable residences and a general improvement in the standard of living. Some of these officers are investing capital in productive developments and personally supervising the work done on their farms. Mr. Darling speaks of some who have installed telephones and organized business methods. They have not only bullock carts but also pony carts for the disposal of their produce.

Most of the above are encouraging and hopeful signs. But there are tendencies at work in the opposite direction. The increasing

value of land furnishes the temptation to some to borrow money not to the extent of their needs but to the limit of their ability. If this were done for development and productive purposes, it might turn out to be a blessing in disguise. But when the sheer love of extravagance or the desire to relax one's effort, or the wish to meet certain ritual obligations be the motive behind the loans, it is obvious that the landholders are thus binding round their necks heavy millstones which are sure to drag them down, perhaps beyond the prospect of recovery. Those days are gone when fear of the usurer, with his extortionate demands, kept the volume of debt low. Facile credit may be an infinitely subtler danger than the intrigues of the usurer. And unfortunately it is not always poverty that induces people to borrow for the sake of the necessities of life; prosperity may furnish the stronger incentive to run into debt.

The Government have encouraged the flow of capital to these colonies, and the capitalist farmers have been found to be more satisfactory than the hereditary, but absentee, landlords who live on the rents and do not concern themselves with the management of their farms, but hand them over to illiterate agents whose sole business sometimes is to wring the last penny out of their tenants.

Extensive grants have been made to gentlemen of substantial means, who are willing to conduct experiments along modern lines. Some of these experiments have turned out to be failures, others are being watched with interest.

The planting of orchards and vegetable gardening on a more systematic basis are being taken up. In the further extensions of such new experiments as fruit-farming and cultivation of cotton on scientific lines lies implicit the hope that the general level of prosperity will ultimately get higher.

The spread of the co-operative credit societies must afford considerable relief to a large body of peasant-farmers. In the Lower Bari Doab Canal Colony alone, 113 new co-operative societies were started during 1919-20, and their total number stood at 270, the number of supply unions being 15. These Societies help the solvent peasant-farmers with loans at rates of interest between 9 and 12 per cent. They also help in the disposal of their produce.

As a direct off-shoot of these societies, we have now in the canal colonies five compulsory education societies which not only exact from the parents the promise to send their children to school, but under whose guidance the parents themselves attend evening classes.

Thus we have village schools, where the barber, the goldsmith, the washerman, the carpenter, the blacksmith attend in association with young pupils and where they are anxious to be able to read and write and understand the elements of book-keeping and accountancy.

There are in the Punjab alone, moreover, 133 societies which are engaged in the consolidation of holdings and which explain to the cultivators the evils of scattered and uneconomic holdings. No consolidation is undertaken without the unanimous votes of the holders.

Side by side with the imperative need for the further extensions of the co-operative methods, lies the equally insistent need for the promotion and fostering of village industries which, in earlier times, made the villages self-contained units and provided useful employment for very large numbers. With the slow decay of these industries — handspinning, weaving, pottery and hardware for example — the present decline has set in. We shall realize the full import of this decline in general prosperity, when we bear in mind that both the farmer and farm labourers are busily engaged only at the times of sowing and harvesting. For more than six months in the year they must either remain idle or search for employment in the large towns.

In the neighbourhood of forests, forest industries, such as weaving baskets, making cane chairs, etc., can be made a fruitful source of income.

The illiteracy of the vast bulk of the cultivators renders the much desired *liaison* between scientific research and agricultural practice very difficult, if not impossible. How are the peasant-proprietors to assimilate the results of experiments on the reclamation of water-logged land, on the extermination of insect pests and on improved varieties of seed, if they do not possess even the rudimentary knowledge that will enable them to understand what is contained in the Bulletins of the Agricultural Department? Schools have, no doubt, been established at the headquarters of several colonies, but these are mainly attended by the children of the town businessmen or those boys of cultivators' families who propose to turn their backs on the callings of their forefathers. The special agricultural schools are also utilized by urban pupils who wish to obtain a diploma in agriculture as a passport to Government service.

What is needed is intensive agricultural propaganda among the masses of the cultivators, with the co-operation of the landed gentry and the village headmen, and with this end in view schools must be

established in the heart of the villages, where the first principles of agriculture may be expounded to them by teachers who know their subjects thoroughly. The bulletins of the Agricultural Department should be distributed among the cultivators in their own vernaculars. The provincial Departments of Agriculture are already devising ways and means for the distribution of scientific knowledge, by the aid of demonstration farms and model dairy farms and magic lantern slides, in the larger towns. Some big landlords are also reported as striving to teach their tenants new methods of cultivation by practical example.

The greatest need of the cultivators is a thorough comprehension of how agriculture may be made profitable and the methods whereby this end may be achieved. A purely literary instruction cannot be of much use to them. The above suggestions for agricultural propaganda, and the establishment of agricultural schools and the translation of the pamphlets in their own vernaculars have already been accepted, in principle, by the progressive element among the officials of the Department.

Although naturally conservative, the large body of Indian farmers are willing to accept innovations whose usefulness can be practically demonstrated and whose adoption does not involve great risk.

For the present, any improvements by means of scientific farming which involve large expense are beyond his means, but the average cultivator needs, above all, training in organization. There is great dissipation of energy and enormous waste of time caused when his manure heaps lie at some distance from his fields, when his primitive homestead is so overcrowded with men, women and cattle that no accommodation is available for poultry breeding and dairy farming, when labour is to be obtained in one village in abundance while operations are obstructed by the scarcity of labour in another.

But things are, on the whole, moving in the direction of progress and the dawn of a new era has already broken on the Indian villages.

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RECENT BANKING LEGISLATION IN CZECHOSLOVAKIA.

EVEN before the War and especially in 1912 and 1913 there were certain indications in the finances of Austria that pointed to the necessity for new legislation on the organization of credit institutions in general and of joint stock banks in particular. It was however only after the War that it became possible to devote attention to the question.

After the failure of three joint stock banks, due undoubtedly to economic difficulties following on a sudden rise in value of the Czech crown in 1922, the solution of this problem became a question of extreme urgency.

The Czechoslovak National Assembly (Chamber of Deputies) made a very careful examination of the proposals put forward by a special Council known as the Consultative Committee for Economic Questions, on which are represented all classes of the population as well as all kinds of business organizations, financial or other. In October 1924 five laws relating to the credit institutions in Czechoslovakia were passed, and it is generally considered in Czechoslovakia that this legislation is an important step towards the consolidation of the financial system of the Republic and thus towards a gradual disappearance of the post-war difficulties as a whole.

These laws relate in the first instance to the joint stock banks, but their action extends also to the popular credit institutions and in particular a marked improvement will be effected in the existing credit organization of the co-operative societies.

In view of the damaging influence of the post-war crisis on the development of certain types of credit institutions, and of the fact that government intervention has proved necessary in some cases, *e. g.*, in Denmark, the following summary of the measures taken in Czechoslovakia for the organization of the co-operative societies will be found of interest. In addition, it is the desire of the writer to give clear expression to the actual intention of this legislation, as it

has been outlined in the preliminary discussions which have taken place regarding the most important of these measures, discussions in which the writer has taken part in his capacity of "reporter" for the Consultative Committee for Economic Questions.

Briefly the legislation as a whole deals with the protection of depositors who place their savings in credit institutions.

At the present time there are two classes of credit institutions in the Republic of Czechoslovakia. The more popular institutions accept the savings of the peasants and the middle class town population and make small loans for business purposes to their clients. Under this category come the agricultural co-operative credit societies of the Raiffeisen type, of which there are 4,408 with savings deposits amounting to nearly 3,000 millions of Czech crowns. These deposits have been made by small rural depositors and do not exceed as a rule 2,000 crowns in each case.

In Bohemia, parallel with these institutions, there are 154 district agricultural credit banks of a semi-official type. These banks handle deposits amounting to a total of 1,844 million crowns.

Reference may also be made to the town credit banks, which are co-operative credit societies of the Schulze-Delitsch type. There are 1,526 of these banks with deposits amounting to 5,858 million crowns.

There are in addition 375 savings banks with deposits to the value of 11,000 millions. These banks, as being the institutions of this kind of longest standing in the country form naturally the most important group of popular credit institutions.

Banking institutions are to be ranked in the second category. There are thirty-nine important banks in Bohemia, Moravia and Silesia, with savings deposits amounting to a total of 5,838 million crowns, besides 6,434 million crowns in deposits from the popular credit institutions and 12,351 million crowns of deposits on current account. The share capital and reserves amount to 2,431 million crowns.

Five public banking establishments for mortgage credit and loans to communes may be classed under the same heading.

The protection of the depositors in the popular credit institutions had already been secured by special laws relating to the savings banks and to the district agricultural banks as well as to the co-operative societies. The laws passed in October 1924 include among their provisions the protection of the depositors in the ordinary banking establishments. This protection is assured by the legislation in the following manner:

1. A Law of 10 October 1924 enumerates the institutions which have the right to issue depositors' books and makes special regulations in this respect in regard to the banks, strictly defining the liability of the administration and of the inspectorate and prescribing a general control.

2. In view of the necessity for protecting not only the depositors, but also the bond holders, a special measure, also dated 10 October 1924, defined the duties of banks with which bonds were lodged.

3. For the protection of depositors in the credit institutions, more particularly in the event of bankruptcy, a new law was passed in reference to the moratorium allowed to these establishments.

4. In consequence of losses incurred by certain credit and co-operative institutions, a Law of 9 October 1924 makes provision for the establishment of a "Special Fund for the recoupment of losses arising out of the post-war conditions". This fund will be supplemented by State subsidies, and it is constituted by payments made by the credit institutions.

5. For the future protection, at least in part, of depositors in times of special crises in credit or production, the General Fund of the Credit Institutions of the Czech Republic was established by the law of 10 October 1924, being formed exclusively through contributions from the institutions and without State aid.

By the first of these five laws, authorization to accept deposits on savings bank books is granted only to :

- (a) savings banks ;
- (b) co-operative credit associations of the Schulze-Delitzsch or Raiffeisen type, which are controlled by the Inspection Unions ;
- (c) district savings banks ;
- (d) public or private banking institutions specially authorized for the purpose by the Ministry of Finance.

In accordance with the terms of this law the right to accept deposits by the co-operative credit associations is conditional on membership in the Inspection Unions. In this way in Czechoslovakia a complete organization of the co-operative credit associations is attained, with a system of inspection at regular intervals duly carried out by the competent bodies of the Inspection Unions. As regards the co-operative credit associations of the Raiffeisen type, 98 per cent. are already members of these unions, while 10 to 15 per cent. of the Schulze-Delitzsch co-operative credit associations remained

outside these unions ; a further effort therefore requires to be made to bring the latter institutions into line.

The law expressly prohibits institutions which accept deposits on savings bank books or on current account from carrying on any form of trading ; an exception is however made in favour of co-operative credit associations which are authorized to obtain for their members the requisites for their business, namely, in the case of the co-operative credit associations of the Raiffeisen type, chemical fertilizers, coal, seed-drills, etc. ; in the case of co-operative artisans' credit associations, the materials and tools used by the members in the exercise of their craft, etc. The inspection of savings banks and of district savings banks in Czechoslovakia had already been regulated by earlier laws.

The law also lays down rules in regard to the liability of the managing staff of the banks. The banks are bound to draw up a code of instructions for their internal regulation which must as regards principles be approved by the Ministry of Finance. In the event of disregard of these instructions by any members of the staff, they are liable for any losses incurred. The bank is not compelled to prove that there has been any dereliction on the part of the official, and it is only necessary to show that the instructions given have not been followed.

The law prescribes that every bank is to establish a department for the supervision of its internal activities and to give general instructions as regards the work of the administrative service.

A special independent society has been formed, which will exercise a regular supervision over all the banks. The society's inspectors are not State officials but they cannot be dismissed by the society without the consent of the Ministry of Finance.

The second law defines the obligations of the bankers towards depositors of bonds, and prohibits any action likely to be prejudicial to the interests of the bond holders. In virtue of this law, unless the depositor has agreed to the terms of a special declaration, the banker is obliged to keep the bonds in a special deposit section and always at the disposal of his client. Any other action by the banker is liable to penalty.

By the terms of the third law a moratorium in favour of the credit institutions may be declared by the competent Minister at the request of the institution in default or of its creditors, the effect of such declaration being that the benefiting institution is under no obliga-

tion to repay debts which become due during the period of the moratorium. The intention of such a provision is to prevent the forced liquidation, in the event of a crisis, of the whole assets of the establishment at an unduly low figure, and at the same time to make it possible to carry out the liquidation under more satisfactory conditions.

In consequence of the financial policy of the Republic of Czechoslovakia in 1922, some of the credit institutions as well as a whole series of co-operative undertakings experienced losses as the result of the rise in the value of the crown, and with a view to making good these losses a special fund has been established. This fund is built up by payments made by the credit institutions already mentioned, in the proportion of about 1 per cent. of their profits, the State granting an annual subsidy for 40 years not exceeding 50 million crowns.

On the guarantee of these payments, bonds will be issued amortizable in 40 years, allotted by the Administrative Council of the Fund, with the consent of the Government, among financial undertakings established for purposes of public utility. As soon as these bonds are taken up, payment on the part of the credit institutions ceases to be compulsory, even if the 40 years period since the constitution of the fund has not elapsed.

By the terms of this law the government is authorized to impose on co-operative societies, other than the co-operative credit associations, a compulsory payment of 10 per cent. of their net profits to their Inspection Unions, so as to form a contribution towards the establishment of a fund intended to meet any losses which may in the future be incurred by these societies. It is hoped that the resources of the fund will not be immediately used by the societies and that they will be available for the general development of co-operation, in the form of loans to co-operative societies.

The purpose of the Fund which has just been mentioned is to make good losses already incurred. The Law of 10 October 1924 has established the "General Fund" which will cover any future losses sustained by the credit institutions whose contributions to the fund date back at least five years. This "General Fund" is formed by payments made by the contributory institutions on an assessment of 1.5 per cent. of the interest allowed to depositors on their pass-books for deposit or current account. The losses are not fully covered but only to the extent of enabling the creditors to receive a maximum of 80 per cent. of their claims. In cases where it is ascertained that the losses have been caused by officials or employees of the establishment,

such persons will be primarily responsible and if no satisfaction can be obtained from them, the maximum compensation to be allowed to the creditors will not exceed 75 per cent. of their deposits. The compensation payments will be made for the most part under the form of bonds carrying at least 4 per cent. interest.

If the resources of the fund eventually prove sufficient to cover all losses likely to arise, payments on the part of the subscribing members may be suspended.

By this law the depositors are secured, although only to a limited extent, in the event of financial or economic crises of a serious kind, while on the other hand it is still imperative for them to exercise proper care in the choice of the establishments to which they entrust their funds, and the liability of the officials of such establishments remains undiminished.

The five laws, the provisions of which have been briefly summarized here, cannot fail to have a most useful effect on credit and economic conditions in general in the Republic of Czechoslovakia.

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MISCELLANEOUS INFORMATION

International Congresses

The International Congress on Social Economy at Buenos Aires (1). — PREMIER CONGRÈS INTERNATIONAL D'ÉCONOMIE SOCIALE, BUENOS AIRES (RÉPUBLIQUE ARGENTINE), OCTOBRE 26-NOVEMBRE 4, 1924 : RÉSOLUTIONS, RECOMMANDATIONS ET DÉCLARATIONS ADOPTÉES : DISCOURS PRONONCÉS EN SÉANCES PLÉNIÈRES. Buenos Aires 1925 *Boletín de Servicios de la Asociación del Trabajo*, Year V, No. 116, Buenos Aires, 20 November 1924.

On the initiative of the Argentine "Museo Social", an International Congress on Social Economy was held at Buenos Aires from 26 October to 4 November 1924. The Congress was opened on 26 October in the presence of the President of the Argentine Republic, the high State officials, a number of ministers from other countries and more than 500 representatives of the Argentine and foreign organizations which were taking part in the Congress. The Minister of Foreign Affairs, in his inaugural address, emphasized the fact that the Argentine Government is devoting the utmost attention to the solution of the problem of land settlement, the treatment of agricultural and other workers, the protection of immigrants and that it has already achieved many triumphs for the modern conception of the rights of labour, which in other countries are still only the object of pious aspirations, beginning with the placing of foreigners on an equality with the natives of Argentina in respect of the full enjoyment of civil rights.

Among the main conclusions approved by the Assembly in plenary session and further discussed by the sections of the Congress, the following should be specially mentioned :

I. *Section of "Musées Sociales" and Similar Institutions.* — A discussion took place on the desirability of inviting all institutions and associations interested in the improvement of social conditions, without distinction of creed or politics, and having as object the realization of the common welfare through the co-operation of the general body of citizens and of social organizations, to adopt the common title of "Musée Sociale", to maintain or found for the purpose such institutions on a basis wholly

(1) The International Institute of Agriculture was represented at this Congress by Dr. Tomás Amadeo, Secretary of the "Museo Social" of Argentina and formerly Delegate of Argentina to the International Institute of Agriculture.

independent of the State, even as regards administration, and instead linked with the living organizations and institutions of the country. In this way such institutions already in existence will be giving both moral and material support to social progress, and the new organization will become a real federation of all the social, educational and economic organizations of the nation. Its sphere will lie in gratuitous service in the common interest on behalf of the instruction of the people, utilizing for the purpose all the resources of libraries and archives, as well as photographs and films illustrating cheap dwelling houses, machinery, education, co-operation, mutual aid, hygiene, etc.

The work of these "Musées" on the strictly intellectual side should be carried on continuously by means of committees and sections consisting of experts in the different branches, by members' meetings, lectures, special courses, periodical and occasional publications, etc., and also by appeals to wealthy philanthropists to assist such educational propaganda work.

Among the resolutions passed by this Section special reference should be made to the recommendation that a Section of Comparative Agricultural Legislation should form an integral part of every "Musée Sociale". In this connection the work of the *Laboratorio di Legislazione agraria*, attached to the *Rivista di diritto agraria* at Florence, received special commendation.

The hope was also expressed that "Musées Sociales" of a special character should be founded on the model of the Salto Provincial Institute, devoted, like it, to the regional study of economic and social questions, and more particularly in regions likely to become of special importance for agriculture; and further that there should be established special museums of industrial and social hygiene, to take the form of permanent exhibitions attached to the "Musées Sociales".

In view of the fact that the establishment of these institutions in every civilized country finds its justification alike in considerations of the welfare of humanity and the requirements of social progress, the desire was expressed that the Pan-American Union, the International Labour Office, the International Association for the Protection of Workers and the International Institute of Agriculture at Rome, as being the most important of the international associations, should confirm and adopt the resolution referred to, and should invite the support of governments, public men and scientists in giving effect to the scheme.

A proposal to set up an International Secretariate of "Musées Sociales" and similar institutions was also adopted.

II. *Workers' Questions Section.* — A scheme was approved for profit sharing and participation in management on the part of workers, to be embodied in a special law on the labour contract in industry, trade and agriculture. A resolution was also passed strongly supporting the recognition and competence of the vocational associations, and the proposal that the assignment of the minimum wage should be extended to the largest possible number of workers and that it should bear a fixed relation to the cost of living and to family circumstances.

On the proposal of the delegate of Peru a recommendation was made that there should be inserted in labour legislation certain special regulations applicable to native workers which will assure to them the maximum of protection and assistance taking into account the actual conditions under which they work.

Other resolutions dealt with the different classes of workers, social insurance, etc.

III. *Section of Social Hygiene.* — The most important of the resolutions passed in this Section are those relating to anti-alcoholic prophylaxis and to legislation on alcohol and the control of the drug habit coupled with a resolution on the state monopoly of the alkaloids, and also those dealing with the hygienic conditions of certain occupations, with accidents, female labour and occupational diseases.

IV. *Section of Agricultural Questions.* — In regard to vocational unions the Congress decided to recommend to the governments that the constitution of agricultural unions should be determined by special legislation, and that special attention should be paid to their promotion in those countries in which the spirit of co-operation is only slightly developed or practically non-existent. The Congress also resolved to encourage preliminary organization of vocational unions among agriculturists, starting with the organization of agricultural co-operative and insurance societies.

Other important resolutions included the following :

(1) That in making regulations for rural labour account should be taken of the special factors influencing agricultural production and rural social life in the different regions of any country ;

(2) That special impetus should be given to the construction of roads linking up ports or markets ;

(3) That rural credit, and in particular credit for the purchase of land for cultivators, should be developed ;

(4) That technical agricultural education including practical instruction in the schools in co-operation as between pupils, parents and teachers, should be regarded as of essential importance ;

(5) That access to the land should be secured, and fixity of tenure should be assured to cultivators who intend to cultivate the land themselves and to increase its value whether for ordinary cultivation or stock-breeding ;

(6) That a practical bias in favour of rural industries should be given to rural education ;

(7) That farm household management instruction be everywhere given, the syllabus being drawn up in each case to meet the special conditions of the region ;

(8) That after taking account of the conditions prevailing in each country, whether as regards agriculture, or the economic, legal or social situation, the procedure which is best adapted to the conditions and the most generally suitable should be adopted for the sub-division of the lands in favour of the largest number of producers ; and that special organizations should be established by the State for the promotion of land settlement, and equipped with the necessary funds for the purpose ;

(9) That special encouragement should be given to systems of small occupying ownership.

On the motion of the delegate of the United States the following recommendations were made to the governments: (1) that the collection of statistical information relating to the rural population and the relevant economic factors should be undertaken; (2) that every ten years a census should be made on the uniform basis recommended by the International Institute of Agriculture; (3) that the agricultural and stockbreeding statistics collected should be published every year; (4) that in addition every nation should collect and publish information on agricultural labour, the hours of work, wages, living conditions, calculations of production costs and costs of living in the country districts, as well as particulars of agricultural co-operation, of agricultural insurance, the prices of the various products and of machinery and other information of similar nature.

In conclusion the Section passed the recommendation that national congresses on rural law should be held and that steps should be taken to summon an international congress on rural and agricultural law.

V. Section of Social Statistics and Social Questions. — Important resolutions were passed by this Section dealing with the labour, health and education of young persons, and with the collection of the statistical data required for developing an adequate social policy on this question or a policy of applied sociology. Approval was also given to a proposal that the laws relating to young persons under the different heads of physical, moral and intellectual education should be codified. Mention may also be made of the general resolutions on the encouragement of co-operation and mutual aid even in the schools, on the international relations and links in connection with co-operation, on the reduction of taxation, and on decentralization of population with resettlement in non-populated regions.

It was further agreed to invite governments, when drafting University regulations, to consider studies in applied sociology as a faculty of equivalent status with that of medicine or engineering, and in connection with work of social betterment to give preference to those who have taken their degree in that subject, and in this way to diffuse the knowledge of the fundamental methods of vocational organization, selection and development, and of raising of the standard of social life.

Attention may be drawn to the resolution proposed by Dr. Lauro Castro relating to "economic parliaments", based on a representation of the different occupations. It was his conviction that a larger share in public life on the part of vocational and collective interests implies a marked progress towards democracy and also conduces to improvement in public administration.

Finally a resolution was passed that announcement should be made of an International Conference of representatives of Banks of Issue to make enquiries into the regulation of exchanges, by the establishment of an international gold reserve, and a system of international balancing, such as had been proposed at the Washington Inter-American Conference of 1920, and at the Genoa International Conference of 1922.

E. F.

Co-operation and Association

ARGENTINA

Formation of Co-operative Dairies and of Co-operative Fruitgrowing Societies. — MEMORIA CORRESPONDIENTE AL EJERCICIO DE 1923 PRESENTADA AL CONGRESO DE LA NACIÓN POR EL MINISTRO DE AGRICULTURA, DR. T. A. LE BRETON. MINISTERIO DE AGRICULTURA DE LA NACIÓN. Buenos Aires, 1924.

Among the more important activities of the *Secretaría Técnica* della *Dirección General de Agricultura y Defensa Agrícola*, special interest attaches to the establishment of a considerable number of co-operative dairies. The movement has been fostered by a system of intensive propaganda initiated and steadily pursued by the office referred to and at the same time a set of rules has been drawn up and issued, which will serve as a model for all the associations to be established, and at a later stage will simplify the formation of federations.

Besides the usual objects of a co-operative dairy association, these associations have the following objects :

1. To establish the keeping of milk records for the cows belonging to the members ;
2. To supervise the sanitary conditions under which the cattle are kept ;
3. To purchase breeding stock, and also dairy equipment and requisites ;
4. To urge the Government to pass a law on the renting of sites for these dairies, such law to include the recognition of and compensation for the improvements introduced by the lessee, fixing in each case the minimum period for the expiry of the lease ;
5. To obtain from the competent authorities the reduction or the abolition of any taxes or dues which hamper the development of the dairy industry ;
6. To make suggestions as to measures and laws in favour of agricultural co-operation ;
7. To secure a reduction in the railway rates now in force, as well as an improvement in the transport service for the products of the co-operative societies and for all other goods in which they are interested ;
8. To encourage the improvement of dairy breeds by means of competitions, shows, etc. ;
9. To promote federation between co-operative societies of the same type, while ensuring that each society shall retain the management of its own affairs ;
10. To secure that dairy farms shall acquire the character of *granjas* (small holdings cultivated by the owners) under the national system.

As a result of the propaganda referred to above 26 co-operative societies for the sale of milk were formed, including 20 in the province of Buenos

Aires, 4 in the province of Cordova and two in the province of Santa Fé, and preliminary work is well advanced for the formation of 11 others, including 8 in the province of Buenos Aires and three in the province of Cordova.

Some of the co-operative societies are already at work and fully established; others have begun to build creameries and the remainder are in process of organization. The societies in full working order are those of Pilar, Escotar-Campana, Garín, Jeppener und Domseelaar.

The report which forms the basis of this brief note contains information as to the formation of two fruit-growing co-operative societies with limited liability established, one on 24 December 1922 by the producers of the valley of the Pay Caraby and its affluents, the other on 15 March 1923 by the producers of the Felicaria valley.

The first of these societies has an initial capital of 12,500 pesos, almost completely subscribed. This is exclusively a workers' association and membership is only open to the producer who has a definite connection with the land he cultivates, as owner or as owner's son or as rent-paying tenant.

The principal objects of this organization include: direct sale to the consumer of the produce of members, increase of the industrial profit on fruit by the utilization of good technical methods, establishment of factories for making preserves, sweetmeats, dried fruits and other products of the fermentation of the fruits, increase in fruit planting, complete cultivation of the lands possessed by members; encouragement among members of practical experiment in connection with the work undertaken by each individual, purchase and sale to members of goods of prime necessity, farm implements, machines, etc.

The fruitgrowing co-operative society of the Felicaria valley has similar characteristics. Both societies have acquired premises in the Federal Capital for sales in common of the whole of their production, which is estimated to amount to 1,600,000 kilogrammes of fruit of different kinds.

E. F.

AUSTRALIA

The Progress of Agricultural Co-operation. — AGRICULTURAL CO-OPERATION IN THE BRITISH EMPIRE PART I: PRELIMINARY SURVEY. PART II: REPORT OF CONFERENCE HELD AT WEMBLEY, JULY 28-31, 1924. LONDON, 1925. — OFFICIAL YEAR BOOK OF THE COMMONWEALTH OF AUSTRALIA, No. 17, 1924. Melbourne, 1924.

Agricultural co-operation has grown slowly in Australia and in spite of the fact that considerable progress has been made during the last decade the movement has not yet reached a high stage of development. Progress has been most marked in the dairying industry. The joint marketing of wheat, fruit, and wool on a State or inter-State basis has been successfully undertaken, and though the systems adopted are hardly co-operative in the strictest sense of the word, mention must necessarily be made of them in speaking of the co-operative movement in Australia.

The States in which co-operation is most developed are Victoria, Queensland and New South Wales.

Victoria. — In Victoria there has been a considerable development of co-operation in dairying, both as regards manufacture and marketing. Co-operation in the dairying industry sprang up between 1887 and 1889 and made rapid progress. The Victorian Government encouraged the movement and gave monetary aid for the building of creameries and the installation of plant. The Government also helped to open up markets abroad and in order to encourage export paid a cash bonus on all butter exported overseas. The co-operative dairy companies have become firmly established and during the last few years many of them have developed a large general trading business in conjunction with their dairying activities and supply farm and household requisites to their members.

For a number of years co-operation in the dairy industry was confined to the manufacture of dairy produce, the produce being sold through agents, and it was not until the beginning of the present century that co-operative distributing companies were formed to undertake the marketing of produce. Three of these distributing companies are now firmly established. Each has set up selling offices in Melbourne to sell to retailers throughout the State, and has agencies in other States of the Commonwealth and abroad. These companies also supervise the selling of produce in the United Kingdom. Their revenue is derived from a commission charged on sales, which is at present 3 per cent. The three distributing companies control the sale of butter and cheese to the value of about £4,500,000 per annum. They work together and confer in regard to all matters pertaining to the welfare of the dairying industry as a whole and they have jointly established an insurance company and set up box works. These companies carry out other functions in the interests of the farmer and supply the butter and cheese factories with all requisites. Two companies undertake the selling of farm produce and one has extended still further by selling wool and live-stock ; it also carries on an extensive business as stock and station agent and auctioneer.

There are two co-operative insurance companies in Victoria. One was established during the War and owing to difficulty with regard to finance during that period the necessary capital was provided by the three co-operative selling and distributing companies of the State. Other co-operative selling companies in New South Wales and South Australia also subscribed capital. The Company undertakes all forms of insurance except life insurance. Its progress has been very satisfactory ; the income from premiums for the fourth year of operations, ending 31 March 1923, amounted to £122,056, and each year 7 per cent. interest on subscribed capital has been returned to the shareholding factories and through them to their farmer shareholders. It is now proposed to alter the articles of association to permit any co-operative company to become a shareholder.

There are two co-operative bacon factories in Victoria ; they were established in 1910 and have made good progress. Four co-operative

meat freezing works have been set up in country districts; they are capitalized by the Government. Cool stores for the storage of fruit have been set up in many of the country districts; these are organized and managed by co-operative companies created for the purpose and the initial capital is provided by the Government.

Under the provisions of the Fruit Act, 1917, and the Primary Producers' Advances Act, 1919, the Victorian Government gives monetary aid to co-operative companies, such assistance being chiefly advances to be repaid over a long term of years at a low rate of interest.

Most of the co-operative organizations are registered under the Companies Act as trading companies and a few under the Friendly Societies Act.

Queensland. — Queensland is conspicuous for the complete and comprehensive character of its agricultural legislation and to this legislation is attributed much of the progress of agricultural co-operation in the State. Two important Acts relating to co-operation have been passed in recent years — the Primary Producers' Organisation Act, 1922, and the Primary Producers' Co-operative Associations Act, 1923. The object of the former Act is to extend agricultural organization and to assist agriculturists to organize in their own interests. Under the Act the Queensland Producers' Association is set up. This organization is composed of local producers' associations, district councils of agriculture, and the Council of Agriculture. The Council of Agriculture is the central body and is composed of 25 members, 19 being nominated by the district councils and 6 by the Queensland Government. It is responsible for general propaganda and organization and one of its functions is to encourage and assist in the promotion of farmers' co-operative associations and enterprises. The Council may impose levies on agricultural produce for the maintenance of the Association.

Membership in the Association is open to all primary producers. All primary producers may be required to bear their share of levies for the maintenance of the Association but only those who enrol may vote. The district councils, 19 in number, are elected by the enrolled primary producers in each district. Each council nominates one member to the Council of Agriculture. Co-operative societies as such do not contribute to the Association; their individual members contribute, as already stated, but under the Primary Producers' Co-operative Associations Act of 1923 associations are enabled to affiliate to the Council of Agriculture.

Prior to 1923 there was no special legal basis for co-operative organization and societies were obliged to register under the Companies Acts. This is now remedied by the Primary Producers' Co-operative Associations Act. This Act provides also for contracts between societies and their members and between federations and their societies; contracts may be made requiring members to sell for any specified period all or any specified part of their produce to or through the Association, and similar contracts may be made between co-operative associations and any federations which they may set up.

The wheatgrowers of the State are organized under the Wheat Pool

Act of 1920. Under this Act a State Wheat Board, consisting of five representatives of the growers together with a chairman appointed by the Governor, has been set up and provision made for the compulsory delivery to this Board of all wheat grown in Queensland.

The fruitgrowers are organized under the Fruit Marketing Organization Act, 1923. This Act also provides for compulsory marketing. It does not, however, provide for Government control, but vests the control of fruit marketing in an elected body of growers known as the Committee of Direction of Fruit Marketing. Local fruitgrowers' associations and Sectional Group Committees are also set up, the latter being elected by the local associations. There is a Sectional Group Committee for each of the main classes of fruit grown in the State, and these Committees send two representatives each to the Committee of Direction (1). The Committee of Direction also contains one representative of the Council of Agriculture.

Under the Primary Products Pools Act, 1922, provision is made for the establishment of a pool for any agricultural commodity, and Pool Boards are set up to undertake the management of such pools. Under the Act the Council of Agriculture may appoint one person to each Board and the Governor appoints the chairman on the recommendation of the Council. Pools have been established for eggs, cheese, maize, and pigs.

The principal federations of societies are the Farmers' Co-operative Distributing Company of Queensland and the Dairy Products Co-operative Company. The Committee of Direction of Fruit Marketing also is practically a federation of the different Sectional Group Committees.

In Queensland the prevailing tendency is for marketing to be carried out through compulsory commodity pools or through bodies set up by special Acts of Parliament and elected by the growers themselves. Co-operation is carried on along well-defined lines of specialization and few societies combine several branches of work. Very little is done in the way of co-operative purchase of agricultural requirements; even the co-operative dairy companies supply their members' requirements only to a limited extent.

New South Wales. — Except in dairying, agricultural co-operation in New South Wales is not extensively developed but in this one direction considerable progress has been made. Nearly the whole of the dairy factories are upon a co-operative or quasi-co-operative basis and approximately 70 per cent. of their output is handled by co-operative wholesale distributive agencies. More than 90 per cent. of the butter manufactured in the State is produced in factories controlled upon co-operative principles by dairy farmers' organizations, there being 97 of these organizations registered under the Companies Act. In 1921-22 the output from co-operative butter factories was nearly 90,000,000 lbs., valued at

(1) Sectional Group Committees have been set up for each of the following classes of fruit: Bananas, pineapples, citrus fruits, deciduous fruits, and other fruits. The Group Committee for Other Fruits sends only one representative to the Committee of Direction.

over £6,000,000. Of this quantity, approximately 60,000,000 lbs. were marketed by co-operative agency, including 21,000,000 lbs. (or nearly two-thirds of the total exports) shipped from New South Wales by co-operative or quasi-co-operative companies.

A certain amount of progress has been made in other directions. There are now 10 registered societies for the co-operative packing and marketing of fruit, and five registered co-operative societies of poultry breeders. A Farmers' Co-operative Machinery and Implement Company has recently been established. Several co-operative companies undertake flour milling and a few carry on live stock saleyards and wool-marketing. A Co-operative Wool and Produce Company has been set up and a number of social organizations of primary producers, known as Agricultural Bureaux, purchase certain requirements for their members.

In New South Wales there is no effective federation of agricultural co-operative societies beyond three co-operative societies for marketing butter and other farm products whose members are mainly co-operative dairy factory companies. There is, however, a movement for uniting all butter manufacturers for the purpose of more effective marketing and thus further to stabilize the industry.

The progress of co-operation in New South Wales has previously been hampered by the lack of up-to-date legislation ; but in 1923 the Co-operation, Community Settlement and Credit Act was passed which may be considered as the first real step in putting agricultural co-operation upon a definite basis. Under this Act four kinds of societies are provided for, namely, rural societies, community settlement societies, community advancement societies, and rural credit societies. The Act facilitates the establishment of co-operative organizations by farmers, and also provides a means of establishing community settlements. Federation of co-operative societies is expressly provided for and provision is also made for contracts between societies and their members. An Advisory Council, consisting of persons representative of different forms of co-operation, with the Registrar of Co-operative Societies as chairman, has been set up under the Act to serve as a central body and advise as to the administering of the Act.

Dried Fruit Marketing. — In connection with the marketing of dried fruits a very extensive organization has grown up in the Commonwealth known as the Australian Dried Fruits Association. This organization has developed from the Mildura Raisin Trust, formed at Mildura, Victoria, in 1895 ; it was established in its present form in 1907 and has extended its operations to such an extent that it now controls about 95 per cent. of the dried fruit produced in the Commonwealth. The Association has local branches in important centres of production and it also includes trading concerns affiliated to it, these concerns being of various kinds, such as co-operative societies, proprietary packers' companies, and private packers. The Association, however, is an organization of growers, and on matters of administration and prices only growers have a vote.

The Association does not engage in trade. Its functions are: so to grade and classify the whole Australian dried fruit pack (1) that an Australian standard of quality is established; to promote sales throughout the Commonwealth; to apportion the amount of fruit sufficient for Australian requirements and the amount to be exported; to regulate prices to the merchants; to lay down terms and conditions of sale; to deal with all problems and matters affecting the industry; and to conduct publicity campaigns and propaganda work, including the opening-up of new markets.

Growers in the different States receive the same net return from their fruit according to grade and for this reason the proceeds of each season's sales are pooled and various funds are established. Expenses are met by a levy on the growers on a tonnage basis.

Wheat Marketing. — During the War compulsory wheat pools were established by the Government but since the War voluntary State pools have been set up in New South Wales, Victoria, South Australia, and Western Australia, and a compulsory pool in Queensland as already stated. The voluntary pools are controlled by Committees appointed by the growers, and the whole of the proceeds, less administrative expenses, are distributed amongst those contributing wheat to the pool. In 1923-24, the amount of wheat received by the four voluntary pools was: New South Wales, 9,681,154 bushels; Victoria, 18,500,000 bushels; South Australia, 10,324,875 bushels; and Western Australia, 7,278,833 bushels, the proportion of total marketable wheat of each State thus delivered being respectively 33 per cent., 60 per cent., 33 per cent. and 40 per cent. The necessary financial assistance was given by the Commonwealth Bank and the Commonwealth Government gave a guarantee of 3s. 8d. per bushel.

Wool Marketing. — We have already given a full account in this *Review* (2) of the scheme under which a large trading company, known as the British-Australian Wool Realisation Association, was set up to take over the marketing of about 1,800,000 bales of Australian wool which remained on the hands of the Imperial Government in connection with the Imperial Wool Purchase Scheme, instituted during the War. The Realisation Association was also entrusted with the disposal of the current clips. The number of producers or owners of the wool held by the Association numbered at least 120,000. The Association took over the control of the carry-over wool on 1 January 1921; the disposal of the wool was very successfully carried out and the last bale was sold at Liverpool, England, on 2 May 1924.

Statistics. — The "Official Year-Book of the Commonwealth of Australia" for 1924 contains recent statistics of co-operative societies and we here reproduce the principal figures relating to co-operative soci-

(1) The Commonwealth pack of 1923 amounted to 27,003 tons. The great bulk of Australian dried fruits consists of dried grapes; of the 1923 pack 25,709 tons were dried grapes.

(2) See the issues of April-June 1923 (page 283) and April-June 1924 (page 311).

eties engaged in the manufacture and marketing of primary products and trade requirements.

Statistics of Producers' Co-operative Societies for the Year 1923

State	Number of societies	Member ship	Capital			Total sales £	Total net profits £
			Loan capital £	Share capital £	Total capital £		
New South Wales	59	38,645	190,720	822,240	1,012,960	15,462,677	153,636
Victoria	58	51,986	956,528	1,340,909	2,297,437	11,836,478	75,855
Queensland	43	29,693	149,830	460,840	610,670	6,522,995	35,746
South Australia	28	40,802	100,374	604,352	704,726	5,406,148	54,057
Western Australia	23	2,426	31,514	43,103	74,617	275,020	11,727
Tasmania	11	4,437	24,625	61,115	85,740	186,216	6,115
Total (Commonwealth)	222	167,980	1,453,591	3,332,559	4,786,150	39,689,534	337,136

Reasons for Slow Development of Agricultural Co-operation — There are several factors which help to explain the comparatively slow progress of agricultural co-operation in Australia. Australia is a new country and has a scattered population which is spread over a great area. Many of the agriculturists are pioneers and have little capital to spare for financing co-operative undertakings. There is difficulty, too, in securing efficient management. Moreover the country has enjoyed a considerable measure of prosperity and the farmers have not felt an urgent need for co-operation. However, as has been shown, steady progress in co-operation has been made during the past decade, and with the increased facilities now provided considerable further development may be expected.

F. L. T.

AUSTRIA

1 The National Union of Co-operative Dairies. — STAMPFL, Der Verband der Milch- und Molkereigenossenschaften Wiens *Die Landwirtschaft*, No. 1 Vienna, 15 January, 1925

With the object of safeguarding the interests of the milk producers of Lower Austria, which were endangered by a temporary excess supply of milk over demand, a Provincial Union (*Landesverband*) of the Vienna Co-operative Dairies was formed in July 1924 to include these producers who are practically the sole purveyors of fresh milk to the Vienna market. The bodies taking part in the foundation of this Union were the National Chamber of Agriculture, the Central Agricultural Co-operative Bank, and

the Lower Austrian Dairy Farm in Vienna, the latter being an organization for joint sales on account of a large number of co-operative dairies situated in different parts of Lower Austria. The object of the Union is the improvement of the economic position of the milk-producers, and according to the terms of its constitution it is proposed : (a) to bring about improvements in milk production and disposal ; (b) to establish direct relations with the milk consumers ; (c) to arrange for improved transport conditions ; (d) to establish a sound legal basis for milk supply contracts between the dairy farms of the province and the town consumers' and dealers' organizations ; (e) to encourage the formation of Viennese Committees for fixing milk prices and setting up an arbitration board with equal representation of the parties interested. It is anticipated that the establishment of dairy schools and the introduction of instruction on dairying into existing schools will do much to develop the industry. Regular courses in dairying have already been instituted at Tulln and at Hochstrass.

In order to prevent glut on the market of curdled or inferior milk, efforts are being made to establish plants for pasteurization and refrigeration on the premises of all dairy farms with the support of the *Landesverband*.

One of the most important and at the same time most difficult of the duties of the Union is the introduction of measures for the utilization of the excess supplies of milk which occur from time to time. A scheme is under consideration for establishing properly equipped collecting stations in suitable localities in order to turn to account in the best possible way milk not at the moment required by consumers. Such a plan would tend to check excess supplies of milk in the months of larger production and more limited sales.

At the same time encouragement will be given to increased consumption of milk by the establishment of milk depots in the public gardens of Vienna, in schools, factories, etc.

As regards the improvement of transport conditions an understanding has been reached with the General Management of the Federal Railways which will have special regard to the requirements of the milk producers.

With the object of ensuring regular and constant dealing and of protecting the co-operative dairies against the caprice of unscrupulous traders, the *Landesverband* has concluded, on behalf of its own members and with the dairies and milk retailers of Vienna, an agreement as to uniform prices for milk supply. The Union is also endeavouring to remove difficulties which occur in the milk trade, and also to give advice and encouragement to the federated co-operative dairies on technical and commercial questions.

Practically all the dairy societies of Lower Austria are affiliated to the Union.

The administration is in the hands of the Provincial Chamber of Agriculture, at Vienna.

2. The Salzburg Provincial Agricultural Council. — GESETZ ÜBER DEN SALZBURGER LANDESKULTURRAT UND DESSEN BEZIRKSGEHOSENENSCHAFTEN *Landesgesetzblatt*, No 17 Salzburg, 31 January, 1924 — DAS GESETZ ÜBER DEN SALZBURGER LANDESKULTURRAT UND DESSEN BLZIRKSGEHOSENENSCHAFTEN, SAMT DURCHFÜHRUNGSVERORDNUNGEN, GESCHÄFTSORDNUNG DES SALZBURGER LANDESKULTURRATES UND MUSTERGEHÄFTSORDNUNG FÜR DIE BEZIRKSGEHOSENENSCHAFTEN *Salzburger Landeskulturnat* Salzburg, 1924 — BUNDESGESETZ VOM 18 VII 1924 BETR. DAS VERHÄLTNIS DER LAND- UND FORSTWIRTSCHAFTLICHEN HAUPTKÖRPERHAFTEN ZU DEN BUNDESBEHÖRDEN, *Bundesgesetzblatt*, No 259 Vienna.

Up to a short time ago an agricultural society was at work in Salzburg, the object of which was to promote agriculture, and which was in receipt of grants from the Austrian Federation and from the province.

The relations between this society and the rural population were not sufficiently close and its resources were inadequate, and these considerations taken in conjunction with the satisfactory working of the Provincial Chamber of Agriculture in Lower Austria led to the establishment of a legally constituted body, representative of agriculture, which in many respects follows closely the model of the Lower Austrian organization. It has however adopted the title, more usual in the neighbouring provinces of the Tyrol and Upper Austria, of "Agricultural Council", as describing the provincial organization, and that of "District Co-operative Association" for the bodies organized in the separate districts.

In actual fact the institutions in both the States are identical in character except that the objects of the Salzburg Agricultural Council include *inter alia* the question of agricultural undertakings, which does not form part of the programme of the Lower Austrian Chamber of Agriculture.

The activity of the Agricultural Council includes work which is defined as essential and work left to its own initiative and discretion. Such work is of a very varied character and includes the grant of certificates in regard to the existence of agricultural usages.

The Agricultural Council consists of a varying number of members with a right to speak but not to vote, nominated by the Council, and of 17 fully qualified members; 16 of the latter and their substitutes are elected by a direct vote by ballot and on the proportional representation system, for a period of 5 years. The seventeenth member must be a technical forestry expert nominated by the Federal Forestry Administration, the greater part of the forest area being the property of the Austrian Federation.

Should the membership of the Council include three forestry experts these persons have a right to representation on the Executive Committee which consists, as in Lower Austria, of the chairman and the two vice-chairmen.

The sphere of activity of an Agricultural Co-operative Association

or of a Forestry Association of the same type usually coincides with an administrative area.

Every District Co-operative Association consists of 6 to 12 members and of as many proxies.

The Co-operative Association elects from among its own numbers a chairman and two vice-chairmen, who form the presidential committee, and two secretaries.

The following have the right to vote for election to the Co-operative Association and the Agricultural Council:

(1) landowners cultivating on their own account:

(a) land entirely agricultural or partly agricultural and partly forest, of at least half a hectare;

(b) land exclusively forest of at least two hectares;

(2) tenants or holders in usufruct who are cultivating agricultural or forest land of at least two hectares;

(3) farmers or managers of similar types of agricultural or forest holdings;

(4) instructors in the agricultural vocational schools,

(5) agricultural and forestry officers attached to the public service, specially engaged on the development of agriculture and silviculture;

(6) persons who have for at least 15 years practiced agriculture in the capacity indicated under head 1, and have not engaged in any other calling as a principal occupation.

Only persons domiciled in Salzburg and over 20 years of age have the right to vote. The sons of owners of farm land, who have a hereditary right to the ownership, are also electors, if they are occupied on the farm belonging to their father.

In addition to all the persons mentioned above who are 25 years of age and over, and have the right to vote, other persons, distinguished for their expert knowledge of agriculture or for services rendered to farming or to silviculture, are also eligible for membership.

The expenses of the vocational representation of agriculture are met partly from the funds of the Council and partly by subsidies from the Austrian Federation and the province, and also by supplementary land taxes. The expenditure for the Agricultural Council is covered by the provincial taxes, and those of the Co-operative Associations by the district taxes.

By the decree of the Government of Salzburg of 6 March 1924 (*Landesgesetzblatt*, No. 28) there were established in all 22 District Co-operative Associations consisting of from 6 to 12 members, according to their importance.

By decree of the same Government dated 26 February 1924 (*Landesgesetzblatt*, No. 18) regulations were issued in regard to the elections for the Provincial Council and for the District Co-operative Associations. At the same time regulations were passed for the Agricultural Council, and the District Associations were recommended to adopt similar regulations in accordance with an approved model.

By the Federal Law of 18 July 1924 special importance is attached to national agricultural and silvicultural corporations. This law regulates

on lines similar to those already established for other representative professional bodies, the relations between the principal agricultural associations and the Federal authority.

Exchange of information is obligatory to enable the duties undertaken to be satisfactorily accomplished and for purposes of general mutual assistance.

The Federal Government is also obliged to submit for the consideration of these corporations all legislative proposals concerned with agricultural production before they are presented to the legislative assemblies. This procedure is also followed in the case of any important decree relating to the interests of agriculture or forestry.

H. KALIBRUNNER.

BELGIUM

The Walloon Agricultural Federations. — From a Report on the Activity of the Walloon Agricultural Federations presented to the Congress of the Belgian Catholic Union held at Brussels, 12 October, 1924.

In the Walloon provinces of Belgium there are five Catholic agricultural federations, all organized on lines resembling those of the *Boerenbond*, of which an account has already been given in this *Review* (1). Their activities, although limited to the respective provinces, follow the lines of that of the great Flemish association. The five federations are: the *Ligue Agricole Luxembourgeoise*, the *Ligue Agricole de la Province de Liège*, the *Ligue Agricole de la Province de Namur*, the *Fédération Agricole du Hainaut* and the *Fédération Agricole des Gildes du Brabant Wallon*. This last is directly affiliated to the *Boerenbond* and thus works in close connection with it, making use of all the branches of its organization. The other federations are self-governing, but are ready to give mutual assistance if required and to organize certain branches of the work in common, when circumstances allow.

Under these federations there are grouped a certain number of local associations acting within the limits of a parish and including services as follows: a finance department for purchases and sales of agricultural products; a section for agricultural credit; sections for life insurance, insurance against accidents during work, fire, hail, and live stock insurance; a technical department, the staff of which are expected to give lectures on practical agriculture, to advise on legal and agricultural questions, to carry out enquiries, to make special studies and to organize demonstrations and experiments; a social section which undertakes general propaganda for the Federation and to which is attached all the staff required for the inspection of the parochial or district unions; and finally an office for the editing and general business connected with the journal published by the Federation.

(1) *International Review of Agricultural Economics*, No. 4, April 1920.

Reference should also be made to the section for farmwomen's clubs, which are frequently connected with the societies affiliated to the provincial federations.

At the end of the financial year 1923 the number of local bodies affiliated to the Walloon agricultural federations was about 510, with a total membership of nearly 25,000. As is well known their object is the religious, moral, social and vocational training of the farming class and the protection of their interests. Meetings take place every month either on a fixed date, or when joint sales or purchases are in progress, or on the occasion of lectures, and also when urgent questions arise for discussion.

The sales and purchases of the year form the most trustworthy criterion of the activity of the organizations representing agricultural co-operation in the Walloon provinces. In this connection it may be noted that the federations under consideration reported in 1923 a large increase of business, having supplied fertilizers, foodstuffs, coal and machines for a total sum of 25 million francs.

The report also states that the federations undertook the regular sale of the produce of their members, a branch of the work which corresponds to a real need. The parochial unions are in some regions recombined for carrying out these collective operations so as to profit by the advantages resulting from the purchase and sale of full truck loads. Other unions, on the contrary, are large enough to carry out the sales unaided. In all cases a wide liberty of action is left to the unions by the federations.

The work of the credit section which is attached to each of the five federations is carried on in close relation to that done by the purchase and sale section. In each of the federations there is a central credit bank which acts as guarantee for the local banks and as intermediary between them and the *Caisse Général d'Épargne*. In addition the inspectorate in each case holds an annual examination of the books and the accounts of the rural banks as also of the books of the parochial agricultural unions.

At the present time 315 Raiffeisen rural banks are enrolled in the different central banks of the provincial federations. The sum total of the accounts opened in the year under consideration amounted to nearly 7 million francs. These rural banks give substantial assistance to the agricultural unions in respect of the payment for the purchases they make.

The federations undertake life insurance, insurance against accidents in work, fire and hail insurance on account of the mutual insurance societies which are constituted within the *Boerenbond*, either as ordinary agents or being directly interested in such a society as, for example, the *Caisse Commune des Cultivateurs Belges* and *L'Assurance Agricole*, both accident insurance societies, founded by agreement between the *Boerenbond* and the Walloon federations, but managed by the former.

For live stock insurance the federations have established provincial societies for the re-insurance of horses, cattle and pigs. At the end of 1923, 400 local societies were on the books of these reinsurance societies with more than 20,000 members, owning in all 46,000 head of stock insured for 83 million francs.

The federations also include 157 farm women's clubs, with a total

membership of 10,500. Reference may here be made to the action taken by the Federation of the Province of Namur, in instituting a depot known as *Aide aux Ménagères* for the supply to rural housewives of all kinds of linen and other articles of household use on favourable terms as to price and quality.

The assistance given by the Federations to the agriculturist is not however solely economic; they are also interested in the cultivator on the personal side arranging for a better vocational instruction, encouraging his social and religious training and giving him the benefit of the assistance of the staff of the federation for the defence of his individual interests.

Lectures, libraries, travelling or otherwise, the four periodicals, *Le Paysan*, *Le Syndicat Agricole*, *La Croix des Syndicats* and *L'Union Agricole*, the distribution of pamphlets, leaflets, circulars, courses held at the seasonal schools of agriculture, consultations on points of law, technical questions, etc., both in writing and by word of mouth, all are means employed by the federations for keeping their members in touch with scientific developments and with all the questions which constantly arise in farming circles, either in the exercise of the calling or in ordinary social life.

Problems of special importance are in like manner discussed directly with the competent authorities, including: the tax on personal property, the clearing of waste lands and the reclamation of swampy land, trade agreements with neighbouring countries, tenancy, agriculture and the cost of living, regulation of the prices of agricultural produce, the representation of agriculture, etc.

Besides the branches of work which are common to all the federations, the departments specially set up by particular federations must not be forgotten. Among these may be quoted the employment department connected with the *Fédération Agricole du Hainaut* which has been formed to ensure to the farmers of the province the regular and seasonal labour they require and also the scheme for the institution of clubs for the breeding of small live stock, the advantages of this branch not being hitherto fully recognized by agriculturists. Steps are being taken to supply members with information on this branch of rural economy, by means of practical notes given every month in *La Croix des Syndicats* on improved methods of breeding, by lectures on poultry keeping, rabbit breeding, etc., and visits of inspection and shows. The increase in the export of eggs is a proof of the prosperity of these clubs.

The *Fédération Agricole de la Province de Liège* is distinguished on the other hand by the activity of its purchase and sale department. In addition to the federal office which pools the orders, it has four large depots, fully equipped and with all the latest improvements, for the milling of cereals, the manufacture of compound fertilizers and the selection of seeds. A number of motor-lorries are in use for house to house supply, and there are a dozen or so selling agents.

The *Ligue Agricole Luxembourgeoise* has a special service for the inspection of the co-operative dairies of the province, which number in all 67 with 5,500 farmers owning more than 13,000 cows. In 1923 the sum total of the sales was 10,600,000 francs for butter and 50,000 francs for the by-products.

In the *Ligue Agricole de la Province de Namur* there has been a special development of the technical services. In 1921 and 1922 this Federation took the lead in organizing the first ploughing matches, in which 1,500 competitors took part and 30,000 francs were divided between them in prizes. In 1923 it instituted a seed testing competition of the seeds grown by the members and every year it holds lectures and experimental demonstrations, extends its library service and gives more attention to the courses of the seasonal schools of agriculture.

The *Fédération Agricole des Gildes du Brabant Wallon* is remarkable for the extraordinarily flourishing condition of its horse and cattle re-insurance and rural dwellings insurance branches.

G. C.

CEYLON (BRITISH COLONY)

Agricultural Co-operation in 1923-24. — CEYLON ADMINISTRATIVE REPORTS · DEPARTMENT OF AGRICULTURE: REPORT ON THE CO-OPERATIVE SOCIETIES FOR 1923-24

At the end of the year 1923-24 there were 205 agricultural co-operative societies in Ceylon as compared with 195 at the end of the previous year. The number of members was 25,432 as against 23,052, the paid up capital Rs. 200,785 as against Rs. 166,088 and the Reserve Fund Rs. 42,044 as against Rs. 29,826. The number of societies classed as "non-agricultural" was 17. The turnover of all the societies during the year 1923-24 amounted to Rs. 552,153 as against Rs. 396,016 during the previous year.

The loans granted by societies to their members totalled Rs. 352,107 and the amount recovered Rs. 241,343, whilst the amount outstanding at the end of the year totalled Rs. 417,906. Nine societies received loans from the Government (Local Loans and Development Fund), the amount being Rs. 20,650. A number of societies are in need of more funds but hesitate to incur liabilities as their office-bearers lack experience in dealing with money. Societies are looking forward to the establishment of central co-operative banks and co-operative unions to provide help in this connection.

Among the chief activities of the agricultural societies are the supplying of manures and agricultural implements, the holding of village shows, and the organization of paddy and vegetable competitions. The supply societies are rapidly gaining in popularity and there are prospects of more of these societies being organized. The scheme of giving instruction to the honorary workers of co-operative societies by means of training classes was very successful during the two preceding years and was continued during the year under review, representatives from 153 societies attending the classes. In the Central Division an innovation was made by including lectures on agricultural subjects and devoting the last day of the classes to them. The holding of district co-operative congresses in connection with the training classes was also successfully continued.

F. L. T.

CZECHOSLOVAKIA**The Agrarian Reform and the Agricultural Co-operative Societies in Czechoslovakia.**

The legislation on agrarian reform in Czechoslovakia takes into account all existing forms of land tenure and farming. The Land Office is authorized to assign to private persons full rights of possession of the land of estates appropriated by the State ; part of the remainder of the estates which have been parcelled out may be rented and the lands may also be worked by co-operative land holding societies. When the agrarian reform was under discussion, many speakers were in favour of letting the large estates to the co-operative land holding societies. In this way, it was said, it might be possible to preserve the very extensive estates which, as compared with small holdings, have certain well recognized advantages, as for example the possibility of utilizing improved machinery and of employing a specially selected staff, cultivation being thus in every way facilitated. The large estates are in a position to obtain and to make use of the most modern machinery, selected seeds can be used, and improved breeds of live stock can be introduced, as well as more modern agricultural methods of all kinds. On the other hand, the crops of breadstuff cereals and of potatoes raised on the large estates are chiefly used for general national consumption, while on the contrary if the estates are split up, the persons working the resulting small holdings, together with their families, which are usually large, consume the greater part of the produce themselves. For this reason it is urged that all State lands should be kept as at present, except in so far as they are rented to workers on the land, grouped in co-operative societies.

The advocates of subdivision maintained however that the cultivator who is at the same time the independent owner of the land cultivated, is alone really interested in farming it to best advantage and in indefinitely increasing the yield. The private individual with a family devotes the closest attention to his farm work, and cultivates each lot as intensively as possible, and this cannot be claimed for estates which are cultivated with the aid of workers who have no direct interest in the results of their labour. It is possible to prove that the small agriculturists raise the largest head of cattle per hectare and are in consequence the best purveyors for the towns. If small holders have not acquired the same degree of technical skill as is possessed by the administrators of the large estates, this condition may be remedied by instruction and by the general extension of agricultural knowledge. If the agriculturists are grouped into co-operative societies for the purchase, sale, or production of farm produce, or for the joint use of farm machinery, etc., and these organizations are well managed, the same advantages will be secured as attach to the estates where a large capital makes development on commercial lines possible.

Up to the date of the agrarian reform there were no land holding co-operative societies in Czechoslovakia, and thus is explained the fact that

a certain distrust of this form of enterprise is sometimes encountered. The experiments made in this form of co-operation in Italy and in Roumania do not seem to be applicable to the conditions of Czechoslovakia.

All the various forms of land tenure are permissible under the new agrarian legislation of Czechoslovakia. While recognizing the existence of the co-operative land-holding societies, the law is evidence that the tendency of the agrarian reform is not in the direction of a levelling of property, since a certain percentage of the large estates are preserved, in an exact ratio to the number of small and medium sized holdings, and as required to meet the interests of agricultural production and industries, such as sugar refining, distilling, etc.

Within a period of five years and as the outcome of the agrarian reform, 67 co-operative societies have been established, of which 33 admit as members persons employed on expropriated estates only; the other societies include 15 co-operative distilleries and breweries, 9 societies of disabled men and small holders, 2 land-holding co-operative societies and co-operative cheese-making societies. 5,000 hectares have been assigned for collective cultivation to 22 out of the 33 co-operative societies mentioned above; and the future will show whether this form of co-operation is adapted to the conditions of Czechoslovakia.

It is evident that the agrarian reform has given rise to many social problems. In the course of reforming the conditions of land tenure, the conditions of existence of the wage earners attached to these lands have been completely altered. The framers of the laws have recognized that it is essential to agriculture that the wage earning staff should possess knowledge and experience, and that this is especially true of the managing and directing staff. In addition very close attention is being given to social questions by the Land Office. From 1919 to 1924 steps were taken to make provision for 31,839 employees in all, whose existence was being threatened by the agrarian reform. Those concerned have bought land, or they have retained their positions on terms in harmony with the spirit of the agrarian reform. In other cases, the workers have secured compensation payments or pensions. Out of 31,839 agricultural workers, 22 per cent. have obtained land of their own; 35.1 per cent. have preserved their position, 39.8 per cent. have received money compensation; 3.1 per cent. have received a pension. Former farm workers have come into possession of nearly 25,000 hectares. A State subsidy of 27,168,488 Czech crowns has been allotted for land purchase.

Compensation payments in cash amount to a total of 61,987,244 crowns. The number of persons or families granted a pension is 1,370, and the aggregate sum annually drawn in this way amounts to three and a half million crowns, an expenditure made possible by the establishment of a pension fund of 60,169,870 crowns. Without taking into account the cases in which the farm staff have bought land, the Land Office has made provision for the maintenance of such wage earners by means of a subsidy of 91,812,860 crowns for a period of five years.

GERMANY

The German Agricultural Co-operative Societies in 1924. — *Deutsche landwirtschaftliche Genossenschaftspresse*, Nos 1, 2 and 3 Berlin, 15 and 30 January, and 15 February 1925. — *Landwirtschaftliches Genossenschaftsblatt*, Nos 3 and 8. Berlin, 17 January and 21 February 1925. — *Genossenschaftsblatt des Reichslandbundes*, Nos. 7 and 8. Berlin, 14 and 21 February 1925. — *Zentralblatt des preussischen Landwirtschaftsrats und der preussischen Hauptlandwirtschaftskammer*, No 23 Berlin, 10 November 1924

The total number of the agricultural co-operative societies on 1 January of each years from 1921 to 1925 was as under :

	1921	1922	1923	1924	1925
1. Central co-operative societies	87	94	97	89	102
2. Co-operative credit societies	18,576	19,030	19,118	19,529	20,152
3. Co-operative societies for purchase and sale	3,911	4,219	4,600	4,780	4,857
4. Dairy societies	3,313	3,367	3,410	3,491	3,590
5. Other co-operative societies	6,651	8,271	9,692	10,121	10,573
Total	32,538	35,017	37,217	38,028	39,269

Out of the 39,269 agricultural co-operative societies in existence on 1 January 1925, 25,533 were affiliated to the National Federation of German Co-operative Societies (*Reichsverband*) and may be classified as follows :

- 87 Central co-operative societies.
- 12,844 Co-operative credit societies.
- 4,141 Co-operative societies for purchase and sale.
- 2,387 Dairy societies.
- 6,074 Miscellaneous societies.

The General Federation of Raiffeisen Co-operative Societies (*General Verband der deutschen Raiffeisengenossenschaften*) included 8,540 co-operative societies, 5,989 of which were co-operative credit societies and 2,651 were trading societies. The latter were divided again into :

- 6 Central co-operative societies.
- 190 Agricultural co-operative societies for purchase and sale.
- 422 Co-operative societies for the sale of agricultural produce (including 254 dairy societies).
- 1,686 Agricultural plant and machinery societies (including 1,535 societies for the supply of electricity).
- 347 Miscellaneous societies.

At the same date there were 1,261 societies affiliated to the Federation for Inspection (*Revisionsverband*) founded by the National Agricultural Union (*Reichslandbund*) :

- 1 Central co-operative society.
- 114 District agricultural unions.
- 95 Purchase and sale societies.
- 172 Co-operative credit societies.
- 667 Societies for the supply of electricity.
- 49 Dairy societies
- 163 Potato-drying, distilling, milling, cattle-dealing and trading societies

Hence the total number of societies affiliated to the three national central federations respectively are as follows :

to the <i>Reichsverband der deutschen landwirtschaftlichen Genossenschaften</i>	25,533
to the <i>Generalverband der deutschen Raiffeisengenossenschaften</i>	8,640
to the <i>Revisionsverband des Reichslandbundes</i>	1,261
Total	35,434

The remaining 3,835 societies were affiliated to local or provincial federations or were not affiliated to any federation. The largest local federation which is not in turn affiliated to any national or central federation is the Federation for Inspection (*Revisionsverband*) founded by the Bavarian Peasants' Union (*Bayrische Bauernverein*) which contains about 900 societies.

Nearly half of the total number of agricultural co-operative societies are co-operative credit societies, and although they have for the most part been affected adversely by the inflation, and many even suspended operations towards the end of the inflation period, in 1924 they began, in spite of all difficulties, more especially those of finding financial backing, to re-establish themselves.

As compared with pre-war conditions there has been a complete disappearance of the former financial independence, which was based on the constantly increasing resources of these societies, both in reserves and in working capital, and especially on an abundance of borrowed capital in the form of savings. At the present time their work is accomplished by means of external assistance, which they receive from the central banks, the Banks of Prussia and the *Rentenbank*.

As it is recognized that the strength of co-operation lies in an independent and vigorous organization of credit, special attention has been paid to the systematic reconstitution of the co-operative credit societies. The question of obtaining owned capital now became of special importance, and in connection with the standardizing in gold marks of their share values importance was attached to paying up in full the shares of the higher values. As a means of procuring the necessary outside capital a vigorous propaganda for the different systems of small savings

was instituted. This was the more essential as in the spring of 1924 the *Reichsbank*, in order to avoid an inflation of credit, refused to increase the quota of credit. Good results have already been obtained from the small savings schemes which are as a rule instituted in connection with the different school authorities. The systems most generally in use are the card system and the house to house collection.

The problem of the utilization of the earlier savings investments is still under discussion. On this point the co-operative societies, in contradistinction to the public savings banks, are under no legal obligation. In many cases the whole question is dismissed as not admitting of argument, as the co-operative societies have no reason to expect to obtain their requirements through the realization of their available claims.

The co-operative fiscal policy was dictated by the general monetary conditions. With the small demand for money high deposit rates correspond to high credit rates. After great fluctuations in the course of the year, the following rates were fixed towards the end of 1924: 9 per cent. for immediate cash, 12 per cent. for capital at 14 days' notice, and 15 per cent. for capital at 30 days' notice. Interest on deposits varied from 16 to 18 per cent.

A new type of co-operative society appeared in 1924 in the form of the District Credit Associations of the Agricultural Unions (*Kreislandbundkreditgenossenschaften*). These societies were organized, like the co-operative societies founded earlier for the sale of goods, in close dependence on the large central organization of an economic and political character, known as the *Reichslandbund*, as district co-operative societies. The existing, or shortly to be formed, local credit societies are to be merely branches. They thus reject the idea of the small village as the unit of area, and assert that the original form of co-operative organization no longer corresponds to changed conditions. The rise of these associations is to be traced equally to the credit need of the co-operative supply associations of the Agricultural Union, and to those of the members of the Agricultural Union, who for the satisfaction of their credit needs could hope for little assistance from the co-operative credit societies which had been greatly weakened as a result of inflation. The new district co-operative associations are keen competitors with the old federations of co-operative societies. A vigorous resistance is being set up against the new co-operative large scale business, which is trying to break with the old approved co-operative traditions.

From the point of view of organization it is still a matter of importance to the co-operative credit societies that the mixed type of co-operation engaged both in ordinary trade and in credit is again more strongly asserting itself now that values have been stabilized.

New co-operative credit societies with departments for general trading are being rapidly established, and the already existing credit societies are also taking up general trade, and former societies for purchase and sale are taking up financial business. It sometimes happens also that credit societies and societies for purchase and sale existing side by side in the same village combine into a single co-operative society.

The trading societies of all kinds had great difficulties to contend with in 1924, more particularly the vine-growing, dairy and cattle-dealing societies. During the past year a very marked increase may be observed in the number of the societies for the supply of electricity, of which there had been less than a thousand before the War, while at the end of 1925 there were approximately 6,000 in the whole of Germany. In the case of the cattle-dealing societies a demand is being made for the further development of compulsory delivery by members and for the institution of co-operative dépôts on the cattle markets. The establishment of co-operative abattoirs or of co-operative meat societies is not so far recommended.

The agricultural credit organization, constructed in three stages, viz., local co-operative credit associations, provincial central banks and the National Central Bank (*Reichszentrale*), approved itself in 1924, in spite of many criticisms in regard to the dearth of borrowed money resulting from the extension of *Rentenbank* credit through the Bank of Prussia, the provincial central banks, the separate co-operative credit associations and the individual farmer; and since the stabilization of the currency this system has been re-organized. It was only through such a system that it was possible to pool the numerous small loans and members' credits in a form negotiable on the money market or through the banks and to combine them with larger sums and accepted guarantees, and thus to supply agriculture with the credit required.

Since the affiliation in 1924 to the Bank of Prussia of four more agricultural co-operative organizations, the whole movement of German agricultural co-operation has found in that institution the keystone of its financial position. On 29 October 1924 the newly formed Committee of the institution sat for the first time after its transformation on 7 June 1923 into a mixed agricultural institution. This Committee is no longer a closed meeting of experts summoned by the Ministry of Finance, but the representative body of the shareholders interested in the bank capital. In all this development the object kept in view is the final legal transfer of the business to a purely private institution under the management of the societies.

The foundation capital of the Bank of Prussia, transformed into gold marks, now amounts to 63,500,000 gold marks. Up to the present about 24,000,000 gold marks are held by the agricultural co-operative societies.

In contrast to the principles that have previously regulated the affairs of the Bank, a branch has been established at Frankfurt-am-Main at the request of the South German Central Bank.

It proved impossible to effect the contemplated transformation of the *Rentenbank* into an agricultural credit bank, which was to have made it practicable to obtain fresh agricultural credit and to repay the 870 million of *Rentenbank* loans. Since during the liquidation of the *Rentenbank* trade and business of all kinds were excluded from mortgage indebtedness and liability and the bank undertook agricultural mortgage business only, the foundation of a new agricultural credit institution was

an obvious step to be taken. The scheme was however wrecked by the opposition of the co-operative societies, which feared that the activities of the Bank of Prussia might be interrupted or weakened. When a Central Institute for Loans on Real Property (*Zentral-Institut für Realkredit*) was contemplated, it was proposed to have a clear understanding in advance. Since it proved impossible to arrive at complete agreement, the Ministry for Provisioning and Agriculture set up on 22 December 1924, as a compromise, a Mortgage Agency of the *Rentenbank* (*Rentenbanktreuhandstelle*). To this office the *Rentenbank* in liquidation (by the Law of 30 August 1924) will assign its available funds for the development of the agricultural credit institutions. This provisional scheme holds good till 1 November 1925; after that date the proposed agricultural bank comes into existence, and thereupon the funds mentioned above will be transferred to the new institution; otherwise on the lapse of the prescribed period they will be re-assigned to the *Rentenbank* in liquidation. For the present 130 million gold marks are assigned to the Mortgage Agency as a further subsidy to agriculture. The distribution of this sum takes place in accordance with a definite scheme, and the ultimate borrower is not expected to pay more than 20 per cent. above the *Reichsbank* discount rate for money repayable at latest on 1 November 1925.

The *Raiffeisenbank* also transformed its share capital into gold marks in 1924, and now possesses a foundation capital of 25,250,000 gold marks. On conversion the original shares of the co-operative shareholders in the Bank were valued at 50 per cent.

No extension has taken place in the direction of establishing new share capital banks, that phenomenon of the period of inflation, designed to capture the funds of non-co-operatively organized agriculture and to develop banking and exchange business for their customers. On the contrary the tendency to establish such banks has been checked.

F. J. R.

HUNGARY

Co-operation in 1923. — *International Co-operative Bulletin* London, December 1924.

According to statistics published by the Alliance of Hungarian Co-operative Societies at Budapest, the total number of co-operative societies in Hungary in 1923 was 4,005, viz. 1,252 credit, 2,085 consumers', 454 purchase, sale and productive, 126 insurance and 88 workers' societies.

As regards consumers' societies, the *Hangya* at Budapest had 1,969 affiliated societies with a total membership of 852,851. The share capital of the affiliated societies amounted to 360,023,700 crowns, loans to 646,880,847 crowns and deposits to 25,343,118 crowns. The total turnover was 12,177,825,509 crowns. These figures refer to 1922.

The *Hangya* itself, as a central organization, had share capital to the value of 12 milliard crowns, reserves of 45 milliard crowns and a turnover of 83,801,000,000 crowns. The number of employees was 1,359

As regards co-operative credit, the most of the societies are federated in the Central Credit Society, which was established in 1898 at Budapest. It includes 1,110 affiliated societies with a membership of 336,786. In 1923 the societies granted loans totalling 720,951,265 crowns, while their deposits reached the sum of 1,057,377,250 crowns. The total value of the shares of the Central Society was 2,680,744,400 crowns. Loans to the amount of 17,095,525,718 crowns were granted by it in 1923, and a sum amounting to 15,944,254,041 crowns had been received in deposits.

The following are classed as co-operative societies for purchase, sale and production: The Co-operative Society of Hungarian Agriculturalists (*Magyar Mezőgazdák Szövetkezetek*) with 5,162 shareholders, 351 employees and a turnover of 23,002,678,683 crowns; the National Hungarian Central Organization of Dairy Co-operatives, including 105 affiliated societies, 429 employees and a turnover of 10,105,212,000 crowns; the Co-operative Central Organization for the Sale of Fruit and the *Fructus* distillery, which had a membership of 126 societies and a turnover of 388,000,000 crowns; the total turnover of the affiliated societies being 1,300,000,000 crowns; one hundred and thirty-eight home industry societies with 10,334 shareholders and share capital totalling 5,316,210,000 crowns; thirty societies for the erection of dwellings, with a total share capital of 19,651,300 crowns. Coming within the above category are also 44 independent societies.

The leading co-operative insurance society is the Agriculturalists' Co-operative Insurance Society, with a share capital of 3,296,120 crowns and a turnover of 4,000,000,000 crowns. It has 14 branches, a number of local agencies, and 363 employees.

Among the workers' co-operative societies special mention may be made of the Workers' Co-operative Union, founded in 1919, the turnover of which in 1923 reached 5,685,288,452 crowns. The Union has 67 affiliated societies, with a total membership of 9,150 and a turnover of 6,755,410,000 crowns.

M. B.

ITALY

The Co-operative Cocoon-Drying Societies of Friuli. — MORANDI (E.):

La cooperazione agraria italiana. *L'Italia Agricola*, No. 10. Piacenza, 15 October 1924. — PANIZZI (G.): Gli essiccatoi cooperativi di bozzoli. *L'Italia Agricola*, No. 2. Piacenza, 15 February 1925.

Silkworm breeding forms one of the most important branches of the rural economy of Friuli. There is no farm on which the rearing of silkworms has not been carried on since remote times on sound scientific lines. Statistics show that in this district, including the two former provinces of Udine and Gorizia, there is an aggregate normal production of 5,600,000 kilogrammes of cocoons, nearly all coming from small holdings, as in this part of Italy 70 per cent. of the landed property is farmed directly by the owner. The high production has however had an

influence each year on the cocoon market on which the prices were in consequence much lower than those obtaining in the other areas of mulberry cultivation in Italy. The large owners alone succeeded in occasionally obtaining higher prices, as a result of the size of their stocks and their better acquaintance with the Italian silk market. The small holder on the other hand found himself when it came to collecting the cocoons at the mercy of the "*ammassatori*". He had no means of protecting himself against speculation, as he was compelled to sell the product as quickly as possible, the live cocoon being subject to very rapid deterioration. Thus the cultivator was completely in the dark as to the actual conditions of the market and was forced to offer his small contribution at any kind of price. With the object of improving these conditions, the producers concerned have during the last few years established cocoon-drying organizations in the form of co-operative societies.

The main purposes of these societies are : to obviate the necessity for offering the cocoons for sale immediately they are collected, by making it possible for them to be kept in thoroughly good condition ; to procure loans for producers on cocoons not yet disposed of ; the collective sale of the produce.

The plant consists of modern machinery suitable for work on a large scale. The society receives consignments of cocoons from the members and arranges for drying, storage and sale, giving the producer an advance of part of the price on delivery and the remainder when the sale is completed, on the basis of the average price obtained, after making a deduction to cover all expenses.

The confidence which this type of organization has managed to inspire simplifies the work of financing. This is usually effected by means of the local institutions contributing to the Agricultural Credit Section (1) of the Federal Credit Institution for the Revival of Venetia, which makes advances on the basis of a maximum of 60 per cent. of the average unit price on the market. These advances in the financial year 1922-23 amounted to a total sum of 26,325,000 liras for the provinces of Udine, Treviso and Venice, in respect of a total number of 15 drying societies. Some societies adopted the individual system of financing, presenting for discount bills given by the various consignors of cocoons as vouchers for the advance obtained ; but the system finally adopted was that of an aggregate sum secured by bills of exchange signed on behalf of the society, accepted by the drying societies and accompanied by subsidiary guarantees ; a system is under contemplation for the future based on the regular establishment of general warehouses in connection with the co-operative drying societies and on the discount of the warrants given for the produce deposited.

Co-operative cocoon-drying societies are found in Friuli at Udine, Spilimbergo, S. Vito al Tagliamento, S. Daniele, Pordenone, Palmanova, Mortegliano, Latisana, Codriopo, Cividale, Artegna, Cervignano, etc. The total membership is over 7,000 and about half the production of cocoons

(1) In this connection see the issue of October-December 1924 of this *Review*, page 616.

in Friuli is centred in the societies. In 1920 they collected 921,574 kg. of cocoons; in 1921, 1,095,170 kg.; in 1922, 1,261,544 kg.; in 1928, 1,562,045 kg.; in 1924, 1,623,696 kg. To these figures must be added the quantity collected by the drying societies of Tricesimo, Flambro, Sacile and Aiello, which were not so completely organized; they collected from 100,000 to 120,000 kg. of cocoons, bringing the total quantity for 1924 up to 1,740,000 kg., which, at the price of 28.50 liras the kilogramme, were of the value of about 50,000,000 liras.

In order to give some idea of the beneficial action of the societies it is sufficient to state that the prices realized in the five agricultural years 1920-21, to 1923-24 were such that the organized producers obtained between 20 and 22 millions of liras more than they would have done had they sold at the average prices in the market.

These co-operative societies are affiliated to the Agricultural Federation of Friuli, in which their representatives form a special committee to deal with questions of common interest, such as the rules and bye-laws of drying societies, information regarding the silk market, contracts for the sale of cocoons, fire insurance, fiscal questions, etc.

It may be noted that organizations of the kind are also in existence in the provinces of Treviso, Venice and in the Trentino, and that certain drying societies are administered by agricultural consortia at Bagnolo Mella, Piacenza and Cremona.

G. C.

Credit.

ARGENTINA

Loans on Agricultural Pledge in 1923. — MEMORIA CORRESPONDIENTE AL EJERCICIO DE 1923 PRESENTADA AL CONGRESO DE LA NACIÓN POR EL MINISTRO DE AGRICULTURA, DR. T. A. BRETON. MINISTERIO DE AGRICULTURA DE LA NACIÓN. Buenos Aires, 1924.

The report of the financial year 1923, presented by the Minister of Agriculture to the Congress of the Argentine Nation, supplies figures relating to agreements for loans on agricultural pledge entered into in the course of 1923 and to the total number of such agreements in force in the Republic at the end of the same year. From these statistics it appears that considerable advantages not only to the stock breeding and agricultural industries but also to all the other related industries have resulted from the application of this system of agricultural credit which was instituted by Law No. 9,644 (19 October 1914) (1).

The stock breeding industry has in particular greatly benefited by the introduction of the system, as under the law the terms of repayment arranged with borrowers might be, in many cases, such as would involve neither risk for the industry, nor loss for the producers. In this way the

(1) See the *Monthly Bulletin of Economic and Social Intelligence* of June 1915.

making of butter and all the products of the dairy industry received a great impetus, and the producers were able to secure large profits which had not been made in the preceding years, owing to insufficient production.

The number of agreements entered into was 16,305 (1) for loans of the total amount of 22,270,375 pesos, including 46,444,252 pesos guaranteed by pledges of goods, movable property used in connection with agriculture, timber, minerals and products of national industry; 137,454,063 pesos by pledges of live stock and derivatives; 11,211,681 pesos by pledges of machinery and implements; 11,630,561 pesos by pledges of ungathered fruit; 9,791,295 by pledges of standing crops and 5,738,523 by pledges of produce already harvested.

The provinces in which the largest number of loan agreements were made were Buenos Aires (4,502 for loans amounting to 35,775,942 pesos), Cordoba (2,982 for loans amounting to 20,408,821 pesos), Pampas (1,519 for loans amounting to 9,520,502 pesos), Santa Fé (1,726 for loans amounting to 32,230,324 pesos), and Entre Ríos (1,434 for loans amounting to 7,649,686 pesos). In regard to the total amount of the loans the highest figure is that for the Federal Capital, where within the year 990 agreements were made for loans amounting to 60,094,009 pesos. In Jujuy only three loans were obtained, but they were of a total amount of 6,230,000 pesos; in La Rioja three loans were obtained amounting to 1,250,000 pesos.

From the detailed statement of the various kinds of pledges, it appears that the loans guaranteed by pledges of sheep and goats numbered 1,286 and amounted to 30,431,747 pesos; 3,040 loans amounted to 17,547,688 pesos were obtained on pledges of grain; 3,132 amounting to 105,287 pesos on pledges of cattle; 2,369 amounting to 11,211,681 pesos on pledges of machinery and implements and 3,311 amounting to 30,394,108 pesos on miscellaneous pledges.

The period of the loans varies from one month to two years, and, as may be seen from the figures given below, the largest number of loans are those for periods varying from three to six months.

As regards the amounts of the loans it will be noticed that about 80 per cent. are made for sums between 500 pesos and 10,000 pesos. The significance of this fact is that the law tends to favour small producers who have no credit resources apart from what they get on objects which constitute, in the terms of the law, an agricultural pledge.

The report also gives the figures relating to all the loans outstanding in Argentina on 31 December 1923: the total number was 37,433 (2) for a total amount of 506,480,140 pesos (3) distributed as follows: 77,779,173 pesos on general pledges; 288,953,155 pesos on cattle and meat; 26,841,281 pesos on farm machines, implements, etc; 36,503,406 pesos on ungathered

(1) Of these 16,305 agreements, 1,354 have been insured for a sum of 46,241,342 pesos national money.

(2) 2,597 of these agreements are insured for a total sum of 80,644,846 pesos.

(3) 83,707,130 pesos are loans made by the Bank of the Argentine Nation and 13,559,813 pesos are loans made by the Bank of the Province of Buenos Aires.

fruit crops ; 25,763,201 pesos on standing crops, and 50,579,920 pesos on produce already harvested.

TABLE I. — *Loans Classified according to Period.*

Period of the loans	Number of agreements	Value
From 1 day to 1 month	374	4,508,196 pesos (1)
» 1 month » 3 months	2,245	28,934,868 »
» 3 months » 6 »	6,988	104,635,732 .
» 6 » » 1 year	5,433	56,998,798 »
» 1 year » 2 years	1,169	27,102,799 »
Total . . .	16,305	222,270,375 pesos

(1) Omitting *centavos*.

TABLE II. — *Loans Classified according to Amount.*

Amount of the loans	Number of agreements	Value
From 1 to 500 pesos	1,157	413,870 pesos (1)
» 501 » 2,000 »	4,304	5,613,603 »
» 2,001 » 5,000 »	4,548	16,367,632 »
» 5,001 » 10,000 »	3,124	23,649,450 »
» 10,001 » 20,000 »	1,634	24,611,097 »
» 20,001 » 50,000 »	922	31,134,701 »
» 50,001 » 100,000 »	369	27,782,990 »
» 100,000 » 500,000 »	225	47,130,896 »
Over 500,000 pesos	22	45,566,132 »
Total . . .	16,305	222,270,375 pesos

(1) Omitting *centavos*.

The number of loans outstanding was largest in the provinces of Buenos Aires (9,974 to the amount of 126,417,310 pesos), Santa Fé (5,437 to the amount of 60,269,852 pesos), Córdoba (5,611 to the amount of 43,283,610 pesos), the Pampas territory (4,228 to the amount of 24,510,249 pesos).

The report concludes by stating that by degrees, as circumstances require, new Agricultural Pledge Offices are being set up in Argentina, some of which had already begun work in 1924.

AUSTRIA

Loans without Interest for Drainage Works. — STUTZ: Tätigkeitsbericht des Vorreferates für Kulturtechnische Angelegenheiten der n. ö. Landesregierung für das Jahr 1924. Vienna, 1925.

With the object of encouraging drainage schemes by all possible means without the undue pledging of State resources, the Government of the Province of Lower Austria resolved on 27 February 1924 to abandon the system hitherto adopted of subsidizing drainage work by means of contributions towards the cost, and in its place to make loans without interest to co-operative societies for hydraulic engineering which are to be formed to carry out the work and afterwards to take responsibility for the maintenance of the necessary plant. The provincial Government authorized the competent office to make loans up to 50 per cent. of the cost of the schemes, and to apply for a loan of an equal amount from the Federal Government. In 1924 the power of granting loans was not exercised in any one case in the proportion of 50 per cent. of the total cost. In five cases where relatively difficult operations were necessary in the poorer communes the government of Lower Austria and the Federal Government together contributed 90 per cent. of the cost while in two instances they paid 60 per cent., and in 19 cases 80 per cent.

The repayment of the loans is regulated in each commune according to the requirements of the particular case, payment in three to seven annual instalments being the rule. The obligation to repay dates from the time when the whole plant is in working order, *i. e.* from the making of the final tests by the officials of the Office of Hydraulic Engineering responsible for the scheme and the handing over of the plant to the co-operative hydraulic society. The Office is authorized to distribute the repayment over ten annual instalments but no use is made of this power, nor has it ever happened that the total cost has been met by the first payment, so that in this way the money set aside for the purpose is turned over as rapidly as possible, and can be made to benefit as many agriculturists as possible.

The area drained in 1924 was 1,473 hectares, or about 400 hectares more than the area in 1923 (1,087 ha.). The total cost amounted to 9,663 million crowns.

H. KALLBRUNNER.

ITALY

1. The Agricultural Credit Institute for Central Italy. — REGIO DECRETO 30 DICEMBRE 1923, No 3,139 PROVVEDIMENTI PER IL CREDITO AGRARIO *Gazzetta Ufficiale del Regno d'Italia*, No 31 Rome, 6 February 1924. REGIO DECRETO-LEGGE 16 OTTOBRE 1924, No 1692 DISPOSIZIONI PER IL RECUPERO DELLE SOVVENZIONI CEREALICOLE CON FONDI DELLO STATO ED ALTRI PROVVEDIMENTI DI CREDITO AGRARIO *Gazzetta Ufficiale del Regno d'Italia*, No 263 Rome, 11 November 1924 — DECRETO MINISTERIALE 15 NOVEMBRE 1924 NORME PER L'ORDINAMENTO E IL FUNZIONAMENTO DELL'ISTITUTO DI CREDITO AGRARIO PER L'ITALIA CENTRALE. *Gazzetta Ufficiale del Regno d'Italia*, No 274. Rome, 24 November 1924.

By the Royal Decrees of 30 December 1923 (1) and 16 October 1924 a scheme was put forward by the Government for the establishment of a new agricultural credit institution, as an amalgamation of the *Credito agrario per il Lazio* and of the *Federazione per il credito agrario nelle Marche e nell'Umbria*. The new Institute, under the title of the *Istituto di credito agrario per l'Italia centrale*, is empowered to make loans to agriculturists in its area, to agricultural bodies and associations for the following objects (Articles 5, 17 and 19 of the consolidated text of 9 April 1922, No. 932).

(a) renting and cultivation of lands, harvesting, utilization and transformation of produce;

(b) purchase of stock, farm machinery and implements required for the equipment of the farm;

(c) payment of dues and rents and cost of insurances;

The Institute will also make loans on the pledge of agricultural produce deposited in general warehouses or in other public or private stores, and loans to agricultural societies or associations for the purchase of requisites for the conduct and working of members' farms and for loans to members in the event of the collective sale of their produce. It will also grant credit for agricultural improvements, *viz.*, for plantations (olive-plantations, vineyards, orchards and the like), for changes in the system of cultivation, and for minor improvements of lands or buildings, as well as for land purchase, etc. Under this last head are included the following: the purchase of lands for the formation of small holdings, the construction of rural workers' dwellings, stables, barns and farm roads; construction of works for the provision of farms with drinking water and of water for irrigation and also for works for improvement, drainage and embankment; the extension of electric power to agriculture; the improvement of mountain land, reafforestation schemes, etc. The scope of the Institute is accordingly very extensive and covers all the growing requirements of agriculture.

For these objects the Institute makes use of its own capital funds, which amount in all to 1,500,000 liras, State loans for a sum of 2,500,000 and

(1) For this Decree see No. 2 (April-June) 1924 of this *Review*.

loans of the Milan and Bologna Savings Banks for nearly 700,000 liras and cash deposits which it is empowered to collect. A reserve fund amounting to a million liras is also available.

The Institute has its headquarters in Rome and district offices at Rome, Perugia and Ancona, and it is also empowered to establish subsidiary centres, branches and agencies. The agricultural banks constituted under the terms of the law of 2 January 1910, No. 7, and the corporate bodies set up for granting agricultural credit in Latium, Umbria and the Marches will also work as branches and agencies. The administration is in the hands of a Council, consisting of a chairman and six members, three of whom are chosen from among the leading agriculturists of the regions indicated.

Reference may be made to the provision by which a tenth of the net profits on the working may be allotted to agricultural institutions or granted as premiums and subsidies for works of land improvement or settlement.

G. C.

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2. The National Bank of Agriculture. - BANCA NAZIONALE DELL'AGRICOLTURA STATUTO Milano, 1923 - BANCA NAZIONALE DELL'AGRICOLTURA. RELAZIONI E BILANCIO AL 31 DICEMBRE 1921 (1^o ESERCIZIO). Milano, 1924.

The National Bank of Agriculture was founded in September 1921 on the initiative of some of the largest of the Italian popular banks, the Federation of the Agricultural Consortia, the General Confederation of Agriculture and other important agricultural associations, and it is intended to devote its owned capital, amounting to 28,000,000 liras and the borrowed capital to the encouragement and intensification of Italian agricultural industry. The scheme originated in the conviction that "a banking institution of a national character may with great advantage provide agricultural credit in Italy on a large scale, thus supplementing and completing the valuable work already done in various centres by the savings banks and the popular banks". The leading principle underlying the whole scheme is that the savings made in agriculture should be re-invested in agriculture.

The main purposes of the Bank are as follows:

(a) to make direct loans, advances and discounts to agricultural associations and to agriculturists with the primary object of aiding them to increase and improve the products of the land and to introduce changes in the system of cultivation;

(b) to provide land and agricultural credit on special terms in accordance with the rules regulating this particular form of credit;

(c) to give support and encouragement to the industries engaged in the transformation of agricultural products and to the industries manufacturing agricultural requisites;

(d) to establish and administer general warehouses;

(e) to assist in the establishment of organizations the objects of which include agricultural improvements, bringing of lands under cultivation, rural building, etc.

With the object of simplifying grants of credit and reducing to a minimum the formalities in connection with applications for loans and the consequent procedure without transgressing the limit dictated by prudence, the Bank has devised a kind of agricultural bill of exchange and a model form of application for an agricultural subsidy (1).

The following figures show the position of the Bank:

*Position of the National Bank of Agriculture on 31 December 1923
and on 31 December 1924.*

	31 December 1923	31 December 1924
	Liras	Liras
Cash in Bank	6,649,548	12,441,041
Undiscounted bills and Treasury notes (in bank and in circulation)	67,042,950	103,308,407
Current accounts	29,464,187	40,199,311
Trust funds	39,001,316	74,152,006 (*)
State bonds	20,567,512	33,177,874

(*) At the end of February 1925 the trust funds amounted to 87,266,047 liras

In accordance with the arrangements regarding agricultural credit in force in 1924 credits were provided in the proportion shown below:

	Number of loans	Amount in liras
Marches	2,832	40,306,855
Lombardy	1,324	38,285,126
Emilia	1,928	31,533,467
Latium	628	11,946,331
Tuscany and other regions	463	15,500,070
Total	7,175	137,571,849
Seasonal work (cultivation of rice, vines, beet and olives, silkworm-rearing, etc.)		19,774,000
		157,345,849

These loans were made for an amount of 42,878,297 liras to co-operative societies, agricultural unions and associations, of 19,792,617 liras to growers of cereals, of 25,346,450 liras to rice-growers and the remainder for the cultivation of miscellaneous crops.

As shown by the annual reports, the Bank, in accordance with the objects of its foundation, gives its support to schemes of particular importance

(1) See in this connection: IL CREDITO AGRARIO IN ITALIA. Banca Nazionale dell'Agricoltura, Milan, 1924

to agriculture, and finances, with the assistance of some of the affiliated banks, important irrigation undertakings and organizations for the export of agricultural products. In 1923, it set up, *inter alia*, an important banking service in connection with the general markets of Rome, and undertook in conjunction with other banking institutions, the establishment of a society for considering reclamation and irrigation schemes.

The headquarters of the Bank are at Milan, and there are a large number of branches. Special attention has been paid to the establishment of branches in different parts of Italy, both with the object of bringing about the primary expansion required by the national character of the institution, and also in view of the advantage of gaining from the first a definite idea of the attitude likely to be taken by the agricultural classes towards the institution itself, which is intended to increase the national capacity for agricultural production and to improve the methods of utilizing the produce of the soil of Italy.

G. C.

RHODESIA (BRITISH COLONY)

The Establishment of a State Land Bank for Southern Rhodesia. —

THE RHODESIA AGRICULTURAL JOURNAL, Vol XXI, No. 5. Salisbury, Rhodesia, October, 1924.

Under the Land Bank Act, 1924, a State land and agricultural bank for the Colony of Southern Rhodesia has been set up. The Act came into force on 15 August 1924 and the Bank came into being as from that date. The Bank is managed by a Board consisting of a manager and four directors.

The business of the Bank as set out in the Act is : (a) to advance money to farmers on mortgage of land within the Colony of Southern Rhodesia ; (b) to advance money to, and to guarantee the performance of contracts by, co-operative agricultural societies or companies ; (c) to advance money to farmers holding land from the Crown under the document known as " Agreement of Purchase " ; (d) to advance money on note of hand to farmers owning land in the Colony. Advances may be made for the carrying out of improvements, for the purchase of stock, plant and agricultural requirements generally, for the discharge of existing liabilities on land and, in special cases, of other existing liabilities, for the payment of costs incidental to the sub-division of land held in undivided shares, for the establishment and promotion of agricultural and rural industries, the construction of irrigation works, the purchase of land, and for the carrying on of farming operations generally.

Except in the case of advances on note of hand, for which special provision is made, advances will only be made upon the security of a first mortgage of land or upon a mortgage which shall rank concurrent with a first mortgage of land. Ordinary advances to farmers will be limited to £3,000, but in the case of particularly large agricultural works approved by the Governor of the State advances may be made up to £5,000. The limit of an advance on note of hand is £250.

Advances made on the sole security of land must not exceed 60 per cent. of the fair agricultural or pastoral value of the land, together with 60 per cent. of the value of the improvements to be effected. Advances made on the sole security of Crown land must not exceed 50 per cent. of the amount already paid as part of the purchase price, but the Bank may advance an additional amount up to 50 per cent. of the value of improvements made since the agreement of purchase; such an additional amount must be repaid within ten years upon such terms and conditions as the Board may determine. Other advances are to be repaid by half-yearly instalments within a period determined by the Board, but not in excess of 30 years. The rate of interest is fixed by the Board; the present rate on advances (excluding advances to co-operative agricultural societies or companies) is 6 per cent.

Advances on note of hand will ordinarily be made in respect of unencumbered land on receipt of a promissory note signed by the owner, provided that the value of the land is in the opinion of the Board not less than £500. If there exists a first mortgage on the land, two sureties approved by the Board will be required to countersign such promissory note. Besides the actual note of hand, the security will consist of a note made in the Deeds Registry against the entry relating to the land owned by the borrower. Advances on note of hand are repayable within three years. As in the case of the other loans the interest is fixed by the Board and is at present 6 per cent.

In addition to these regulations various special conditions are laid down with respect to advances to co-operative agricultural societies and companies.

F. L. T

Economic and Social Conditions of the Agricultural Classes.

AUSTRIA

The Decline of Allotment Gardens. -- *Neue freie Presse*, No. 21,605, 4 November 1924. VERORDNUNG VOM 17. APRIL 1924 (*Bundesgesetzblatt* 24, BETREFFEND DIE REGELUNG DER PACHTZINSE FÜR SCHREIBERGÄRTEN. - KALLBRUNNER (H.). The Development of Small Garden Unions during the War. *International Review of Agricultural Economics*, Year XI, No. 6, June 1920. -- RECHENSCHAFTSBERICHT DER ÖSTERREICHISCHEN GARTENBAUGESSELLSCHAFT IN WIEN FÜR DAS JAHR 1923. -- *Der Kleingärtner. Zeitschrift für Kleingärtnerinteressen*, Vienna. -- KALLBRUNNER (H.): Die österreichische Landwirtschaft. Vienna, 1924. Die Landwirtschaft in Weichbilde Wiens

An immense impetus was given during and immediately after the War to the system of allotment gardens in Austria, and especially in Vienna. The following figures may be quoted as evidence.

In 1914, 400 Viennese families possessed a garden, in 1923 this number was approximately 70,000 and in 1924, 120,000.

The maximum development was reached in 1923, when Vienna was surrounded with a wide belt of admirably cultivated allotments. In 1924 the area under cultivation was substantially less, and the cultivation of the allotments was also very noticeably less intensive in character. There was much less ground under vegetables, and frequently potatoes had been given up and their place taken by grass plots, flower beds and bush fruits. In short more extensive methods are everywhere noticeable, accompanied by a decline in returns.

Allotments being the direct outcome of food shortage, it is not surprising that as the need becomes less acute, there should be less ground cultivated, and less intensive and progressive systems followed.

The possibility of obtaining on every market potatoes and vegetables in any quantity and in good condition had a marked effect on the allotment system and the falling off in allotments dates primarily from this improvement in the general situation. In the second place there are sundry drawbacks which every allotment holder has to reckon with, which may be the reason for the check in development. Among such drawbacks, may be mentioned: the distance of the allotments from the dwelling, the difficulty of winter storing in town dwellings, etc.

Other causes of the deterioration of allotments include the exhaustion of the soil from which the value has been extracted by a succession of crops and which therefore requires proper replenishment. The necessary replacement of the nutritive elements removed has been in many cases neglected. In the early years when the allotments were first made on land that had been left uncultivated, it was still possible to obtain satisfactory crops. In a few cases the gardens were properly manured, though frequently in inadequate proportions, and the quantity of manure was always insufficient. There was in fact an absence of the requisite knowledge.

A contributory cause is the poverty of the soil on which the allotments were made, the land being either clay soil, very heavy, stiff, unproductive and difficult to work, or else sandy dry deposits. The few tracts of better soil in the neighbourhood of Vienna are naturally already under cultivation, and not available for allotments.

Finally certain privileges which were offered to the allotment holders by the municipality of Vienna in the early years of the movement have been gradually withdrawn, and in 1924 had almost disappeared.

The exorbitant demands of a number of landowners, who often ask extraordinarily high rents from their tenants in spite of the existing Decree on *Schrebergärten* (allotment) rents, have an effect in weakening the interest of the allotment holders in carrying on the work of their plots.

The substance of this Order of the Ministry of Agriculture is as follows: in the case of allotments, an agreement may be made as to a rent which is adapted to the circumstances of the case, especially to the soil conditions of the plot at the time of taking up the tenancy. In fixing the rent, or in making an agreement with a new tenant, no account may be taken, of any increased value of the plot attributable to the work of the tenant.

The court of the district (*Bezirk*) in which the rented plot is situated decides whether the rent as originally fixed is fair, or whether an increase or reduction should be made. In the event of disputes, the court takes the opinion of competent persons who have full knowledge of the relevant circumstances. Where a Central Allotments Office exists, its opinion is also invited.

The conditions of tenure of allotments are always considered as being those of a tenancy of indefinite duration unless there is any clause in the lease in a contrary sense.

The lessor has power to bring the lease to an end for good cause or reasons enumerated in the Decree, *e. g.*, if the tenant is in arrears with the rent, if the plot of land is required for building, etc. Plots of land taken for allotment garden purposes and formerly used as open spaces or drill grounds, may be claimed and in case of need devoted once more to their original use.

Municipalities or market gardeners' associations may make application to the district court to be allowed to lease land as sole tenant under the same conditions as have been previously agreed. The Court gives a decision on the application after hearing the views of the former sole tenant and those of the lessor.

The owner of a piece of land in the neighbourhood of a city or an industrial district, which is neither under regular cultivation as farm land, nor is utilized in any corresponding way, *e. g.* as ornamental grounds, timber yards, military exercising grounds, etc., is obliged to surrender it to communes, municipalities, or other public bodies or to market gardeners' associations, on their request, to be used for allotments.

Any plots of ground which are applied, or are intended to be applied, in small portions on the land of cultivating owners, to gardening purposes with no commercial object, are regarded as allotments, or more exactly as *Schrebergärten*.

A further significant decline in the allotment garden movement system may undoubtedly be predicted for the next few years, and this is much to be regretted in view of the many advantages of the allotment garden system from the point of view of the health and contentment of the people as a whole.

It is to be hoped that the allotments will be gradually be transformed into *Schrebergärten* in the true sense, as conceived by their much esteemed founder, the late Dr. Schreber of Leipzig, namely, places for family recreation, with a grass plot and flowerbeds as also various fruit trees and bushes.

This type of allotment garden can however hardly be said to be agricultural in the true sense.

BELGIUM

Rural Recreation (1).

In all the replies made to the enquiry circulated by the Department, one fact clearly emerged from the first. The countryside in its desire to imitate the town has lost its rustic charm and simplicity ; all regional feeling is disappearing and giving way to the completely commonplace ; everyone wants to live in houses just like town houses, to follow town fashions in dress and to enjoy town amusements. This process of assimilating country to town manners, which began towards the middle of last century, at the time when the villages were being brought into touch with the towns by the railways, has continued ever since, and when the bicycle became popular the tendency was accentuated. The War has disastrously undermined all traditions. All that had so far held fast, nourished by the remains of an idealism that still lingered in the hearts of the country people, has been swept away by the wave of materialism that passed over everything after the War. A restless craving for the newer type of amusements, brought within their reach by increased earnings and shorter hours, has drawn away the young people from the healthy pleasures which country life can offer. The tone is set by the industrial workers, who are to be found in large numbers in the country as a result of the facilities for daily travel to the towns or industrial centres. These people take the lead as earning the higher wages and the young peasantry imitate them. Parental authority is everywhere weakened, and it has not been possible to impart a strong character training to the children, as the parents themselves have no knowledge of the methods of family education. The absence of this element in their own education is now evident to an extent which is alarming.

It may here be remarked that in the Walloon districts, especially in the industrial centres, the position seems even more serious than in the Flemish part of Belgium. In certain Walloon districts, especially in Hainault, the villages are deserted on Sundays and holidays ; all the young people find their way to the populous centres to go to the theatres, cinemas, dancing halls and drinking shops (Reports of the Agricultural Experts, MM. De Wilde, at Mons ; Boidenghien, at Roelux ; André, at Tournai ; German, at Gembloux ; Demazy, at Dinant).

The extent of the evil has brought about certain reactions. Thus some years before the War the Provincial Committees for the Embellishment of Rural Life (General Secretary : M. Giele, State Agricultural Expert, Louvain) made a study of possible remedial measures and are attempting with resources that are unfortunately very limited to preserve or to restore to its proper place all that gave its special charm to rural life. An import-

(1) Summary, communicated by the Belgian Government, of an enquiry made, at the request of the Belgian Ministry of Agriculture, by the State Agricultural Experts, the State Women Advisors on Farm Household Management and the Farm Household Management Schools of Belgium. This summary has been made by M. LINDEMANS, Director of the State Higher Training Institute for Farm Household Management, at Laeken, Belgium.

ant Congress was held immediately after the War, when the rural problem was considered in all its bearings.

The Department of Agriculture is doing its utmost to raise the moral and intellectual level of the country through the work of its officers in the provinces, the Agricultural Experts and the State Women Advisors on Farm Household Management, and of its vocational agricultural schools for boys and girls, and by its publications.

The work of the large peasant associations, especially that of the Boerenbond, is not concerned only with economic and social questions, but praiseworthy efforts are also made to re-establish the healthy mental outlook of the villagers of former days.

The *Ligue de l'Education familiale* (Office: 14, Rue Victor Lefevre, Brussels) has carried on for 25 years a well directed propaganda in favour of the diffusion among parents of a knowledge of sound educational methods.

Customary Recreations of Sundays and Holidays.

A. Among *Open-air Sports* may be mentioned :

1. *Archery (tir à l'arc)*. Two forms are practised : (a) shooting in the air, or shooting at a perch : the object here is to bring down by well directed shots artificial birds fixed on a perch at a height of 25 to 30 metres above the ground ; this form of archery affords the best sport and the archers meet on a plot of grass immediately beneath the perch : (b) horizontal shooting ; shooting in a booth ; the game consists in shooting at a target and the course being covered, it can be played equally well in winter or in summer.

Archery is always very popular in most parts of Flemish Belgium (Flanders, Brabant, Campine). It is unknown, generally speaking, in the Walloon districts, with the exception of certain localities bordering on the Flemish area, e. g., the northern boundary of Hainault: Maulde, Celles. Almost all the archery societies or guilds are very old and have no difficulty in preserving the ancient traditional customs, e. g., that of the *Tir au Roi*, which takes place with due observances every year at a fixed date. The member of the society who brings down on that day the bird from the highest point, is proclaimed "king" of the guild and his reign lasts for the whole year, till the time when his successor is designated by the *Tir au Roi* of the following year. The installation of the "king" is carried out in accordance with an established ritual and accompanied by songs and copious libations.

The archery guilds have however been shorn of much of their former splendour, and the days are no more when the Archduchess Isabella took part in the *Tir au Roi* at Brussels. Vanished too is the part played in the communal organization by the guilds of archers who in former days provided the town militia for the defence of the city and the maintenance of order.

2. *Shooting with the crossbow (tir à l'arbalète)* was formerly of equal importance with ordinary archery but is falling more and more into disuse. It is still to be found in certain parts of the Campine, Flanders and Hainault. Those who engage in this sport, like those who shoot at a mark, are members of guilds the origin of which is lost in the mists of the past.

Almost all the archer guilds religiously preserve their ancient banners,

their insignia in solid silver (Flemish : *braak*), and sometimes also the pewter cups won in competitions between guilds of the same province, archives and records of all kinds.

3. *Rifle shooting* (*tir à la carabine*) used to have a certain vogue in the neighbourhood of Liège and in some scattered localities in Flanders but the sport seems to be on the point of disappearing.

4. *Ball play* (*jeu de balle*) is played by teams on the village green and even along the roads in the hamlets ; the ball used is a small ball of white leather sometimes with lead pellets in the middle ; in this case the players wear a thick leather glove on the right hand. This game is much in vogue especially in Eastern Flanders, in the administrative area of Brussels (Brabant), Hainault and the province of Namur. Matches played between teams of different villages always attract a large number of spectators. Certain teams of the Charleroi district have a national reputation. Leopold II and Albert have been present for many years past at the championship played every year at Brussels.

5. *Hockey* (*jeu de crosse*) resembles the English game and is played in spring in the neighbourhood of Celles and Maulde (Hainault).

6. *Bowls* (*jeu de boule*) formerly extremely popular in the two Flanders and in the neighbouring districts of Brabant and Hainault, every village having its bowling green, is still found in many places and remains the favourite game of peaceable rustics. The game is played under various forms ; sometimes the balls are round, sometimes they are flattened ; the number of players in a team may also vary and the bowling green may be of various shapes and sizes, etc.

7. *Skittles* (*jeu de quilles*) is a game known throughout the country, alike in the Ardennes, in the Liège district, in Condroz and Hainault and in Flanders, and both the Antwerp and the Limburg divisions of Campine. It is gradually disappearing, but persists in the parts of the country where the players, by playing for fancy stakes, make it a sort of gambling game especially in the neighbourhood of Tirlemont and Hesbaye.

8. *Peashooting* (*sarbacane*) is still to be found in the Ypres district.

9. *Football*, probably because it is the most "sporting", is everywhere the most popular game with the young men. It is of comparatively recent introduction, but has spread with great rapidity. There is hardly a village now without its one or more football clubs. Matches are always very popular.

10 and 11. *Tennis and croquet* which are played by the leisured class of the country side are entirely unknown among the populace.

B. *Indoor Games* in vogue in the villages are not very numerous. On Sunday, there is card playing, in the inns or drinking shops, and it is no longer only the older men who devote themselves to this pastime. Not many know how to play *billiards*. In the Ardennes, skittle billiards are found in certain inns. In the south of Flanders and in the neighbouring district of Brabant a kind of *quoits* (*jeu au bac*) is played, the game consisting in throwing large disks from a distance of about ten feet into a box turned upside down with a small circular opening. Matches arranged by the publican take place from time to time.

C. *Other Country Recreations and Amusements.*

1. Among the first to be mentioned is *pigeon-fancyng*. This hobby is widely spread through the whole of Belgium and is equally popular both in town and country. Pigeons are sent by railway long distances, to the south of Belgium, into France, and even as far as the Pyrenees and Alps. On arrival at their destination the pigeons are released in thousands, and the prizes go to those which are the first to return to their owners. Meantime wagers are laid and the betting is sometimes very high. Many thousands of persons, of every grade of society, take the keenest possible interest in these pigeon competitions every Sunday in the fine weather. They are the topic of endless conversation in the public houses and in all the workmen's trains. In every village there are a number of pigeon fanciers' clubs, and the tax on this sport brings in immense sums to the State. In election times pigeon fancying may even turn the scale in the politics of the country.

2. *Cycling races*. Since the Flemish peasants and the Walloon workmen have covered themselves with glory in international competitions, as for example in the Tour de France, there has been a craze for cycling as a sport more particularly in Flanders and in the Walloon industrial centres. Every Sunday the local and district races make the roads almost impracticable for ordinary pedestrians. Cycling tracks have been laid down almost everywhere in the populous centres of the country side and attract numerous spectators.

3. *Musical societies*: choral societies, bands and orchestras. Every self respecting village has its musical society and the larger villages and villages where political divisions are marked have more than one. The Walloon country, more especially the Liège district, is justly proud of its great choral societies which are far superior, speaking generally, to similar societies in the Flemish part of Belgium. On the other hand, much attention is paid to instrumental music in all the Flemish villages. These societies carry on the tradition of the ancient Chambers of Rhetoric and all the well-to-do persons of the village take part. The musicians are mainly recruited from the artisan and the middle class; there are however a large number of peasants who are musical. It is their part to voice all the various types of communal feeling; at the *hermesse*, their joyous strains fill the air; on occasions of inaugural ceremonies, jubilees, processions or at funerals, their cheerful or melancholy music mingles with every expression of the popular joy or sorrow.

4. *Dramatic festivals*. The spirit of the ancient Chambers of Rhetoric is still to be traced in the inborn taste for the drama which is found among the rural population. Representations given by amateur dramatic societies which are to be found in every village always draw large audiences. The actors are recruited from the same classes as the performers in the choirs and bands. In the village the good actor is as a rule a good musician too; he takes part in the dramatic club, in concerts and in the choir which chants the masses at the church on feast days. In the winter all his evenings are taken up by rehearsals or practices in one or other of these clubs. If it was the fashion of the age, he would be rhyming his verses like his

ancestors of the Chamber of Rhetoric. Like them he can drink and amuse his companions at the same time with a jolly song. Those who dream of a return to the old traditions of free and healthy country pleasures should count on such as he. He will not wait to be asked, as he loves to show off in public and his devotion to the social side of village life knows no bounds.

5. *Instructive lectures.* These lectures are frequent in the large villages where there is usually found a nucleus of the more thoughtful class grouped in study circles, and the attendance is on the whole very good. The agricultural associations, for example, the farm women's clubs, organize vocational lectures on the occasion of their periodical meetings. A large number of farm women's clubs combine attractive musical or dramatic items with these lectures. These clubs, which are already very numerous, there being more than 500 for Flanders alone, are a factor of primary importance in the restoration of rural life to healthy and attractive conditions.

6. *Wagonette excursions.* In certain Walloon districts, especially in the province of Liège, the custom of making up parties for motor wagonette excursions is on the increase.

7. *Gymnastic displays.* Some rural districts have their gymnastic societies which from time to time give public performances, and there are always plenty of interested spectators. In the district of Eupen-Malmedy the public long and high jump competitions are very popular.

8. *Cinemas.* The majority of villages of any importance now have their cinemas. As the owners of the halls are none too scrupulous and as on the other hand there is always a large attendance, it is much to be regretted that there is no popular educational organization responsible for the selection of the programmes at cinema representations. The cinema might be an important factor in the work of raising the moral and intellectual level of the country districts but it is very often a factor of a very different order.

9. *Dances.* In a large number of villages public dances are regulated by the communal authority. People are usually content to dance in the public houses to the music of an automatic piano or a simple accordion.

No form of regional or folk dancing exists in Belgium. The *cramignons* of Liège have disappeared and the modern international dances have taken their place. The folklorists have piously made collections of the lingering and scanty remnants of the popular dances; the archaeologists have exhumed the ancient documents preserved in museums and libraries. But no one has done anything so far to restore their popularity.

Annual Festivals.

A. The kermesses or ducasses.

Each village has its *grande kermesse* and one or more *petites kermesses*, not to speak of a growing number of *kermesses de quartier* which are finding their way into general use.

The *kermesse* (*kerk-mis*: mass of the church) is the dedication festival of the local church; whence the Walloon name *ducasse* or *dicauce*. It is,

in fact, the anniversary of the consecration of the parish church, the date of which has been fixed for a particular Sunday by the bishop who officiates. It is from the liturgical point of view the greatest parochial festival of the year. The feast of the patron saint of the parish, or patronal festival, has given rise to a special festival, the *petite kermesse*. The *kermesse* or dedication is thus a festival which is religious in origin. At the present time the religious aspect is but slightly marked and is constantly losing importance.

On the occasion of the *kermesse* the itinerant showmen and dealers assemble and speedily cover the village square and neighbouring streets with the usual attractions: merry-go-rounds, swings, shooting galleries, travelling circuses and theatres, various stalls where toys, sweets and fritters are sold, feats of skill, tricks and curios, in fact, everything that can please children and elders too.

On Sunday there is the religious ceremony of the procession which passes through all the village streets. On the Monday it is the general custom to celebrate funeral masses for parishioners who have died during the year. On the Monday afternoon and the Tuesday burlesque popular sports are as a rule arranged. Only in a very few villages does the *kermesse* continue up to Thursday and on the following Sunday the festival closes.

In all the villages of the Namur district the *kermesse* festivities are organized by the *Jeunesse*, a traditional association, including all the young unmarried people, under the leadership of one or two captains. This special society has its origin in the companies of young people which in former times were found in nearly all the towns or large villages of any importance. These companies formed one section of the town guard, and took their place along with the guard at all festivals, inaugurations, processions, etc. In the country districts, the *Jeunesse* has survived as a living institution. On a fixed date they meet to elect their officers, and at the same meeting the contribution each member is to pay is fixed. There are very few who refuse to pay their share.

On the eve of the *kermesse*, the *Jeunesse*, accompanied by musicians hired for the period of the festival, go to serenade those who have been married in the course of the year, as well as any new comers. A tree planted before the house serves as a warning of this visit. In return those serenaded are expected to produce refreshments and to pay a contribution to the funds.

The Sunday of the *kermesse* is kept in every house by plentiful meals to which are invited the members of the family living in other places. In the evening there is, practically everywhere in the Walloon district, a people's ball. The musicians take their places on an improvised stage, sometimes on a cart, in the middle of the square, and the dancing in the open is continued all the evening by impromptu balls at the public houses. In Flemish Belgium the dancing goes on in tents. The days are gone by when the chief personage of the place or the magistrate opened the ball and presided at these popular diversions, and at the present time the better to do farmers' families do not attend the *kermesse* balls.

In all the villages of the Namur district, on the Monday after the mass

for the dead, the *Jeunesse*, with their band, go to salute the burgomaster, the curé, the chief landowner, the large farmers, the schoolmaster and all the other personages of importance in the place, who all give them some present.

The afternoon of Monday and the whole of Tuesday are devoted to popular sports. On certain places a fair or an annual market is held on the Monday or the Tuesday of the *kermesse*. In a number of places a live stock competition is organized among the inhabitants, which is subsidized by the communal administration. Certain localities in Flanders, for example, Grembergen-lez-Termonde, have preserved the ancient tradition of dramatic representations on cars. All the hamlets of the district take part and compete for the prizes which are adjudged by the administration of the commune. All the cars pass in procession through the village streets, and finally defile round the public square, each group in turn stopping to give a representation of their comic scenes, which are half improvisation, or to sing songs made up for the occasion.

This is the time when the stock characters of all the popular Flemish festivals come out again. the giants, the Bayard horse, the wheel of fortune, the legendary monsters, all treasures of local tradition, jealously preserved by the authorities of the commune, and proudly displayed before strangers. Everywhere there still exist ancient songs which are chanted when these popular heroes are once more brought out.

A word may be said on the *popular sports* which are organized at these *kermesses* and on special festivals.

1. The *archery* societies organize special competitions in which devotees of the sport from the neighbouring villages are invited to take part.

2. The *musical societies* give special concerts in the village squares. In many communes *annual festivals* are organized and the musical societies of the adjoining villages take part as a way of paying their respects to each other.

The *great festivals*, organized on the occasion of inaugurations or important anniversaries are important events for the whole region. It is no rare thing to see 50 to 100 societies taking part in these musical demonstrations, which recall the ancient festivals of the Chambers of Rhetoric, the art of music replacing that of the drama.

3. On the occasion of the *kermesse* there is a series of *special competitions*, varying in number and importance according to the locality and including football matches, games of ball, skittles, bowls, etc. There are also carrier pigeon matches over varying distances, cycling races, etc.

4. *Tilting*: trotting matches along the village streets: usually the riders, who are sometimes women, try to catch on a pointed stick hoops or rings hung over the course. Formerly this sport was popular everywhere, but it is now fallen into disuse in many parts.

In certain localities of Hesbaye and Hainault this form of tilting is done in turnouts driven by women.

This sport is preceded and followed by processions and in many places there are pilgrimages with processions of horsemen. These meetings are held in high honour by the peasants, who never fail to attend in large num-

bers. In Brabant there are several pilgrimages of celebrated horses, among others Anderlecht, Hakendover, Grimbergen, Opwijck, Grez, Marbais. The religious ceremony is almost always followed by these tilting competitions.

5. *Racing (courses sportives)*. Cycle road races are very popular ; horse racing of a popular kind goes on in certain parts of Limburg, Campine, Flanders, though there are no great race meetings in these districts, while ordinary foot racing is organized with success in the Walloon country.

6. *Fancy races*. Among the burlesque races devised for popular amusement at festivals may be mentioned the following :

(a) Sack races, which are popular every where ;

(b) Girls' wheelbarrow races at Coudroz, and Charleroi ; husbands wheeling their wives in barrows and vice versa at Campine : wheelbarrows with a living frog inside which must be wheeled to the goal (Liège district, Brabant, Campine, Flanders) ; barrows with rolling objects, e. g., round shaped potatoes, at Campine ;

(c) Donkey races at Condroz near Liège ;

(d) Goat races, the goats being driven by their owners (Liège district, Campine) ;

(e) Dog races (Flanders, Brabant) ;

(f) Hoop races for men over fifty at Condroz, etc.

7. The *tub game (jeu de la cuvelle)* : a bucket of water is hung over the street ; and in turn the players, no doubt originally on horseback but nowadays standing on a hand cart, pass at full speed under the bucket and try to hit with a long pole a hole made in a plank under the bucket : if they succeed the bucket empties itself after they have passed, otherwise they get the whole douche on their backs. This game, which was formerly very popular, is still practised in certain localities in Flanders, the Liège district and Condroz.

8. The *greasy pole (mat de cocagne)*. The young men try to bring down from the top of a well soaped pole different objects offered as prizes by the organizers of the sports ; this as a well-known sport all over Belgium, but less in vogue than it used to be.

9. The *flag game (jeu du drapeau)*. This is a local sport in Walloon Brabant ; it consists in the performance of a certain number of complicated figures to the strains of a traditional melody, while the " *alfère* " or standard-bearer of the local *Jeunesse* gives a fine display of banner waving.

10. The *cock game (jeu du coq)* : this game is played in different ways but the object in each case is to kill and win the prize of a live bird. Among the forms of the sport are the following :

(a) a live cock or goose is hung in some way or other over the road ; the players passing on horseback under the bird try to cut off its head with a sword ; or the players sit one at each end of a ladder placed across a cart-wheel which turns on a pivot, the wheel is made to turn and the players try, by passing under the cock, to cut off its head by a stroke of the sword (Limburg, Hesbaye) ;

(b) the cock is hung in a basket, the neck and the head only projecting ; the players, who are blindfold, try to cut off the creature's head (Liège district) ;

(c) the cock is replaced by a cat shut up in a box which is hung over the road ; the players, again blindfold, try by blows with a cudgel to smash the box and free the unhappy cat (Bruges) ;

(d) a dead goose, or turkey, or a ham is hung at 15 or 20 metres above the players and become the property of the players who succeed in getting them down by a sideways stroke with an iron bar (Liège district, Waremmе, Hesbaye) ;

(e) the cock is sometimes replaced by a large pie ; the blindfolded player secures for himself the piece that he is able to cut off with a sword (Herve district).

This game is no longer played with live animals, and is tending to disappear altogether.

11. *Cock-fighting* : although severely punishable by law, there are always some enthusiastic devotees of this prohibited sport, especially in Hesbaye and in certain parts of Western Flanders on the French border.

In the Liège district fights between badger and terriers were formerly organized.

12. *Cock-crowing competitions* are popular in Lámburg and in the Herve district and bullfinch whistling competitions in Condroz, etc

B. *Feasts of the Almanack.*

The popular feast days of the calendar, celebrated by traditional family ceremonies and popular amusements, have lost much of their former splendour. In some districts however at a distance from the urban centres, many of the ancient traditions still survive among the peasantry. Space does not permit an account to be given of the whole yearly cycle of folk-lore in Belgium. There are a number of special books on the subject, from that of Dr. COMEMANS (*L'année de l'ancienne Belgique*) to the study by the Abbé CÉLIS which was published in Ghent in 1921, and interesting details on the subject are to be found in a large number of periodicals dealing with history and folk-lore in the different regions.

Certain elements which are to be found in all parts of Belgium may be noted here :

I. *Bonfires*. (a) throughout the Walloon districts and especially in Condroz, the Ardennes, in the Haute-Fagne, in Walloon Brabant, and in the Flemish district of Grammont, it is the custom in each village to light a large fire at the highest point of the commune on the evening of the first Sunday in Lent. The pile consists of faggots, straw, and pieces of wood, collected from all the inhabitants of the village ; the young people dance round the fire, while all round the horizon can be seen the glow from the different fires of the neighbouring villages.

(b) On St. John's Eve (23 June), at the summer solstice, similar fires are lighted ; in other places on St. Peter's Eve (29 June) (Eastern Flanders, Brabant, and the Malmédy district). In certain places all the rubbish that can be got together is burnt ; elsewhere faggots are prepared of oak, birch, lime, alder, pine and other woods well known for their burning qualities. Dancing round the fires goes on, often under the garlands of St. John, which are made of flowers with different symbolic meanings.

Jumping over the fire is thought to give immunity from certain diseases. In the Malmédy district a special dance is danced called "*la ronde*".

(c) Martinmas fires with similar ceremonies are the rule on 11 November in the Hageland.

2. *Mayday festivals* with the planting of a maybush in front of certain dwellings and the traditional popular amusements are everywhere falling into disuse. The festival however retains a certain vitality in one of the old quarters of Brussels, where the *Meiboom* is still observed, and also in some places in the Flemish part of Belgium.

The old popular dances and the election of the "May-queen" have almost everywhere disappeared.

3. The *annual banquets* of the guilds and societies, accompanied by various amusements, are always duly observed, for example, the Feast of *St. Sebastian* (20 January) for the archers' guilds, the Feast of *St. Cecilia* (22 November) for the musical societies. Certain feasts of the guilds and trades have survived the suppression of these societies, for example, the feast of *St. Eloy* (1 December), the patron of the blacksmiths, in which all the customers of the blacksmiths on the country side, that is chiefly the farm workers, take part, the feast of *St. Barbe* (4 December), the patron of miners, etc. All these feasts take place in the winter.

4. The *annual fairs* of certain small provincial villages and of the large villages remain firmly anchored in tradition, and are the meeting-ground of thousands of villagers from the neighbourhood who would not miss them for the world.

5. Christmas-Day, the Epiphany, Candlemas, Easter, Whitsuntide, All Souls' Day are all the occasion of traditional family ceremonials which each year tend to find less and less observance.

The Carnival and its masquerades are almost unknown in the country. The Binche Carnival with its noisy rejoicings is almost the only one to stand out from the general level of dullness.

C. Seasonal Agricultural Festivals.

These feasts too have lost their former splendour, where they still persist they reduce themselves almost entirely to special "treating" of labourers by the farmers. The relations between masters and men have lost much of the frank cordiality of former days. In many parts of the country the mentality of the workers is no longer in accord with the feeling of the simple minded observances of the past and only the material pleasures of eating and drinking remain.

1. Spring festivals:

(a) Accomplishment of the work of ploughing, etc., and of manuring; in the neighbourhood of Roelux, the farmer's wife used to make *gaufres* for the labourers.

(b) Turning out the cattle to grass in the Herve district.

2. Summer festivals:

(a) Hay harvest in the Herve district.

(b) Flax gathering in the flax districts of Flanders. In some places the dances (*farandoles*) of the girls who have helped to gather the flax are still found. Everywhere a feast is given at the farm (*slijtpap*).

(c) Rape gathering: the rape was threshed on a sunny morning in the field and the threshing was followed by dances and feasting (Brabant).

Rape is no longer grown and the custom has consequently disappeared.

(d) Buckwheat Harvest: the buckwheat is threshed in the field and feasting follows as for the rape in Campine.

(e) The Harvest Home: the bringing in of the last load of the cereal crop is celebrated; harvesters and carts are decked with ribbons; the wheels, the harness, the sickles, the rakes are adorned with flowers and foliage; an immense bouquet, the *mai*, or a bird of straw, the *coq*, decorates the top of the last load on which the girls and children who have been helping in the harvest also ride. Along the whole route there is singing and the songs are accompanied by a jangling of bells and banging of pots and pans, so that all may know that Farmer So-and-So has carried his harvest. The foreman presents the farmer's wife with a huge bouquet of field flowers with the finest ears of corn in it, she offers him refreshment and compliments are exchanged. Then everyone sits down at the same table for the feast, where the fare is traditionally quite simple. Singing, dancing and drinking goes on all the evening.

This was formerly a universal custom in the country and it is kept to a small extent in the little farming villages, especially in Condroz, in the North of Hainault and in Flanders.

In Condroz the reapers left one last plot of standing corn, and set up in it a sickle, then each one tried to throw his *triche* (piece of wood for testing the blade of the sickle after sharpening) as near as possible to the sickle; the least successful had to finish the reaping alone, amid the gibes of his friends. Elsewhere in Southern Flanders the straw cock was made from the last load, with the help of the straw from this last plot.

In the Maulde district the bell of the farm is rung the whole evening while the feast lasts so that the whole commune may know.

(f) The end of the hop gathering in the hop districts, is celebrated by a family festival (Alost, Poperinghe).

(g) In Campine and in Western Flanders a similar feast is held at the end of the potato harvest.

3. Winter feasts.

(a) A rejoicing, sometimes called the "*Kermesse aux boud'ns*" (Blackpudding *Kermesse*) accompanies the killing of the pork fattened for winter use and the servants and friends of the house share in the feast.

(b) In the district of Alost and in Campine the end of the threshing is sometimes celebrated by a feast.

4. House-warmings.

Moving house is also the occasion of festivities among neighbours in some of the Campine cantons. The new occupant of a farm is brought in by a troupe of his new neighbours who have gone to meet him at the farm which he is leaving and who help with the moving. At the head of the procession come the carts loaded with the household goods as well as the farm equipment, the last year's harvest, etc. A carriage with a white awning and decked with flowers follows in which are seated the members of the family, while the farm live stock follow driven by the neighbours. This

demonstration of sympathy is accompanied by joyful singing and libations at the inns.

Occasional Festivals.

Public rejoicings on the occasion of a *marriage* are still to be found here and there in remote districts where a true family feeling still binds neighbours together. The bride's house is adorned with flowers and foliage, flags and arches of greenery are hung across the street, guns are fired, the newly married couple entertain the neighbours and there is singing and dancing.

Jubilees (golden weddings, centenaries, etc.) are celebrated, as a rule, with much ceremony. The streets and houses are decked, and the heroes of the hour drive through the village, there is a solemn mass at the church, a reception at the town hall, with speeches and bouquets and a concert; in the Walloon districts there is a ball in the evening and illuminations.

Induction of parish priests, burgomasters, etc., are the occasion for organizing processions, the village streets being decked with flags, etc.

Processions (cortèges). In Belgium, especially in the Flemish part, the people are passionately fond of processions. Certain elements are always repeated: the group of riders dressed up in ancient costume hired from the costume dealer in the town; the cars representing agriculture, the village trades, the four seasons and peasant life; the long chains of children in white who surround the "Queens' car," the march past of the local societies, their flags flying and their bands playing.

From time to time the anniversary of some historic event has to be celebrated in a village, and is the occasion for the organization of a grand historical pageant which draws crowds from long distances.

After the War, all the villages organized memorable processions to welcome home the soldiers who returned, to celebrate the victory and to inaugurate the monuments put up to the men of the village who had fallen on the field of honour.

Decoration of the streets. When the villages are *en fête*, all the houses are adorned with the national colours and garlands of greenery are slung along the front of the houses. Rows of fir-trees are placed along the streets and decked with paper flags and flowers and wreaths of leaves and twigs run from tree to tree, while Venetian lanterns are hung on them and lighted in the evening. At the entrance to the village, where the streets lead into the square or in front of the house of the persons who are being fêted, triumphal arches are erected which are especially in Flanders masterpieces of rural art.

There is a tradition as regards the ornamentation of these arches, a local art which varies from one district to another. In one place ingenuity is taxed to make designs with foliage of different shades of green, mallows, box, yew, fir, ivy, asparagus, all picked out with natural flowers; in another, the garlands are plaited in traditional patterns; elsewhere they are laid on the ground, white sand forming a background on which designs are made with flowers, foliage or berries, such as the service-berry.

The custom of placing date anagrams on the wall of a house still exists in very many villages.

Organization of Country Recreations.

Nearly everywhere the communal administration undertakes the general organization of the popular sports on the occasion of the *kermesse*, and gives the prizes, supplies the funds and advertises the festival programme. The local societies or the festival committees, as, for example, in the Namur districts, the company of the *Jeunesse*, are responsible for the details and general organization.

For jubilees, inaugurations and processions there are special committees consisting for the most part of representatives of the local societies.

Other public rejoicings are organized by guilds and societies or by the neighbours or by a group of tradespeople (especially innkeepers) who are personally interested.

In conclusion, it may be asked what is to be done to preserve what remains of these ancient local traditions? The public authorities can do much; it is their part to encourage the efforts made by certain people, and to shew interest in the preservation of tradition by awarding prizes on the occasion of public festivals. A great deal too can be done by the example of persons of local importance, the large farmers should set their wits to work to organize the harvest feasts in a way worthy of the occasion, as it is obvious that if some led the way others would very soon follow. The leaders of the farm women's clubs could teach the old-time songs and dances to little groups of girls. Musical and dramatic societies should receive generous support from the public authorities. It has already been remarked that within these societies themselves there are to be found groups of enthusiasts with whose help a revival of the village fêtes might be boldly undertaken. An afterschool course in music and elocution could be arranged in the large villages where schools of music might be established.

Agricultural shows of garden and farmyard produce, live stock, etc., ought to be more frequent, and with these there might easily be combined competitions involving the display of professional skill; this is merely a question of having prizes to award. Such competitions are already organized successfully in France and in the United States. Ploughing, reaping and harvesting competitions are really more interesting, because more productively useful, than cycle races or carrier pigeon trials. The champion reaper of the country side is more meritorious than the champion cyclist. But no one ever hears of him!

Popular libraries, informative lectures, musical and dramatic evenings, broadcasting, are all to be recommended as adding to the fullness of rural social life. But all such schemes will remain unproductive unless the mentality of the villagers undergoes a change. All the moral forces of the country — the family, school and church — must co-operate in the work of re-education of the present generation. All that can bring classes together must be carefully fostered; the bond of mutual understanding which formerly united them and caused them to share the same simple pleasures must be re-established.

It is possible to look beyond the period of rapidly increasing democratization through which society has been passing for some years and to catch

a glimpse of an era when an equitable adjustment of the proper claims of the various classes will have been brought about, and the bad feeling which springs from envy will have disappeared. The determining factor will be the general good will, for peace has been promised to men of good will. There is much to be said, after all, for remaining optimistic and having faith in the future.

The shaping of this future lies with the moving spirits of the present day. The number is not large of those who have at once the devotion, the desired enthusiasm, and the necessary technical knowledge, to be the regenerating influence that is needed for the social, intellectual and moral side of rural life. In the opinion of the writer what is required is that in each canton there should be one or two burgomasters who have taken university courses specially arranged for the purpose. These courses would include : psychology, moral education, law, especially as relating to agriculture, rural economy, political economy, archaeology, history and literature, folklore, hygiene, town and country housing, and the principles of administration. These burgomasters, as State functionaries, would carry out their administrative work in one village or in a group of small villages. Their remuneration would be calculated on the assumption that, as is the case with the justices of the peace, they would be unable to undertake any other function. The communal elections would be confined to the election of from two to four aldermen according to the importance of the village or group of villages. For the rest the office of common councillor should be rendered obligatory on all citizens who have passed through the elementary school, and have reached a certain age, say 45 to 50. This would mean the summary disappearance of the unhappy political element in the life of the village, which is a fruitful source of divisions and enmity.

THE NETHERLANDS

Household Management Instruction — *Officiel Orgaan van den Algemeenen Nederlandschen Zuivelbond*, No 964, The Hague, 17 September 1924.

It was only a short time before the War that any real consideration was given in Holland to schemes of household management instruction. At the 63rd Dutch Agricultural Congress of 1911 a certain agreement was reached in respect to the problem of the practical household training of the girls who will be the future rural housewives. Special interest was expressed at the time in questions of organization, in particular, the training of the teaching staff, the general trend of the instruction, the curriculum, the duration of the course and the age of admission. There was no basis of practical experience for these discussions, since the two first courses, which opened in the same year 1911, had scarcely begun. In view of the varying conditions of farming both as regards management and methods or cultivation, or in its social aspects, the idea of introducing a uniform system for the whole country was rejected from the outset. The most important outcome of this part of the proceedings of the 1911 Congress was the establishment of a special Government Train-

ing Schools for the women teachers required. As soon as this school was ready in 1913, the next step was to proceed at once with the training of an adequate supply of capable and well qualified teachers, and thus to ensure the main prerequisite for a scheme of household management instruction of real value. This State training of the teaching staff made it at the same time possible to introduce a certain uniformity into the general methods of instruction. The first instructresses were sent, after eighteen months training, into the Northern districts of Holland, with appointments under the Ministry of Agriculture for the purpose of organizing, under the direction of the Government Instructors in Agriculture, the first courses of training in household management. These courses were considered to be experimental, and the next step was to draft a permanent scheme of instruction for the courses, which were at the same time definitely instituted.

Efforts had meanwhile been made in unofficial quarters to promote schemes of household management instruction. In 1914 in the province of Limburg a School of Housewifery was opened as an annexe to an already existing boarding school for farmers' daughters. The value of the new school was soon proved, and in 1920 it was organized as the second Training School for Instructresses in the subject in Holland.

In 1920 there were thus in existence in the whole country two Training Schools for Instructresses, three rural housewifery schools and more than 200 courses in household management in the different provinces and districts. The transfer in 1919 of the household management instruction from the sphere of the Ministry of Agriculture was reported to be unsatisfactory and an obstacle to progress. By the Law on Industrial Instruction, this branch of agricultural education has been included under the general scheme of industrial education.

This scheme, however, which related to subjects of a different character, could not possibly be satisfactorily adapted to the needs and requirements of the rural household management instruction scheme; the necessary technical agricultural knowledge was absent, as also the closer connection with the rural organizations so essential to real progress.

The Proceedings of the 75th Agricultural Congress held in September 1923 indicated the following lines as suitable for courses in farm household management, to extend over two summers, thus giving two half yearly courses:

The curriculum is to include :

1. Instruction in the care of live stock, field and garden work suitably adapted to the local conditions ;
2. Scientific farm household management, including in particular a knowledge of food values and practical training in cookery and fruit-preserving, laundry management, making of simple garments, care of the house and household equipment, simple furnishing of the farmhouse ;
3. Elements of theory, *viz.*, chemistry, nature-study, knowledge of plants and animals, especially so far as required as a basis for the instruction given under heads 1 and 2 ;

4. Principles of hygiene ;
5. Introduction to farm accountancy and agricultural organization ;
6. Instruction in religion.

The teaching staff provided for the course is to consist of an instructress fully qualified in scientific farm household management, a teacher of agricultural subjects fully qualified in farm and garden cultivation, an instructress in manual work, and a teacher of religion.

As a model example, a description may be given of the Housewifery School at Posterhold. The pupils receive 18 hours of practical instruction weekly, which is given before midday, while 17 afternoon hours are devoted each week to theory, in both cases throughout the whole course of two half-years. For practical work the pupils are divided into 4 sets for work or instruction. The teaching is still further impressed by the fact that a remarkably good demonstration farm is annexed to the schools with an adequate range of garden and plough land. This property is so arranged as to give the students a first hand idea of an average sized farm completely equipped with live stock, garden and arable land. The students take a regular and active part in the farm work. In this way they have constant opportunities of observing the working of a model farm carried on on scientific principles ; they watch and assist in the development of its various activities. The very fact too of working and passing the day in a model farmhouse, which is furnished in a simple but comfortable way, and above all on thoroughly practical and hygienic lines, exercises a remarkable influence on the furnishing and equipment of the individual homes later on, thereby contributing to the end of keeping the family more in the home and the country people more on the land.

F. J. R.

GIULIO COSTANZO, *gerente responsabile*.

TIPOGRAFIA DELL'ISTITUTO INTERNAZIONALE D'AGRICOLTURA

FARM LEASES IN BELGIUM

INTENSIFICATION of production is the economic watchword of the present day, and the realization of this phrase in actual fact was the work of the *Commission nationale pour l'Augmentation de la production agricole*, which was set up on the proposal of Baron Ruzette, the Belgian Minister of Agriculture.

Among the most effective means of attaining this object within the shortest possible time are the reforms in farm leases made in the interest of the country and in that also of the landowners and the tenants.

As will be shown, the improved lease is a guarantee of intensified production, especially as tending to reduce the "slack" periods of the end of lease during which the tenant farmer — to the great detriment of both parties — limits his expenditure and reduces his yields.

This question is all the more important since, as will be seen from the following tables, a very large number of farms in Belgium are rented :—

TABLE I. — *Farms.*

	Less than 50 ares	From 50 ares to 10 ha.	From 10 ha. to 50 ha.	Over 50 ha.	Total
Total number of farms					
1846	247,551	279,083	41,583	4,333	572,550
1895	458,120	326,819	41,102	3,584	928,625
Number of farms under direct cultivation for either the whole or more than half the area					
1846	117,928	98,237	14,237	917	231,319
1895	73,302	109,979	16,586	1,359	201,226

	Less than 50 ares	From 50 ares to 10 ha.	From 10 ha. to 50 ha.	Over 50 ha.	Total
Number of farms under indirect cultivation for either the whole or more than half the area					
1846.	174,249	169,104	24,997	2,974	371,324
1895.	340,192	228,582	26,865	2,667	598,306

The total number of farms cultivated directly by their owners has increased by nearly 15 per cent. This increase chiefly relates to farms of an area of 50 ares or less.

The total number of farms cultivated by tenants has increased by more than 61 per cent. and the increase relates to the three first groups.

TABLE II. — *Ratio to 100 Farms.*

	Less than 50 ares	From 50 ares to 10 ha.	From 10 ha. to 50 ha.	More than 50 ha.	Total
Under direct cultivation					
1846	12.80	10.21	2.90	0.24	35.15
1895	14.21	11.84	1.72	0.11	27.88
Under indirect cultivation					
1846.	30.42	29.59	4.37	0.52	64.85
1895.	41.01	27.55	3.24	0.32	72.12

The number of farms directly cultivated has increased somewhat in recent years for reasons which will now be explained.

§ I. DEFINITION AND CONDITIONS OF TENANT FARMING.

It may be of interest to give here a clear definition of tenant farming and the tenant farmer and to recall the conditions of this system of tenancy whereby "the owner of landed property surrenders to a tenant the right of working the property, as a good head of a family, for a fixed number of years, on terms to be fixed in a document known as the lease which specifies a rent payable in money".

Tenant farming is usually found in districts where agricultural

capital is already established ; the capital in land being represented by the owner and the working capital by the tenant.

If tenant farming is to become the normal system of land tenure, certain economic conditions are essential :

1. The agriculture must be sufficiently profitable to give :—

(a) a rent payable to the landowner and

(b) a profit for the tenant farmer. Hence the farm becomes in the true sense a business undertaking ; the tenant manufactures marketable products at his own risk, to be used either on the farm or in external commerce.

2. The general conditions of security must be absolute ; there must be an absence of social disturbances whether arising internally for political, economic or fiscal reasons, or due to external causes ; when there is social insecurity, rent-paying tenancy is replaced by produce-sharing, or at least its development is checked. If the agricultural crisis of the countries of Western Europe in 1880-1895 is recalled, in the course of which cultivation was carried out by " the owner left stranded on his farm ", it will be seen that tenant farming^x had to give way to direct cultivation.

It will be shown later that in consequence of the present economic uncertainty, this system of tenancy is undergoing a serious crisis.

3. All transactions must be on a money basis ; there should be no question of truck payments, bartering or payments in kind.

4. There must be a class of persons in the country ready to undertake farming who, apart from the necessary capital, also possess adequate technical and vocational capacity.

It is clear that when the conditions are as stated, the cultivator will prefer to work the land with his own resources, rather than share the produce with the owner (*métayage*) and hence that tenant farming will be the system indicated.

Division of Labour. Tenant farming is a good example of the division of labour and of bringing into play the various instruments of production.

(a) The owner takes part in the production through his land ;

(b) The tenant farmer by his capacity, his technical knowledge and his working capital ;

(c) The wage-earners by their labour.

On the other hand, this division is noticeable also in the division of the proceeds of farming :

(a) A certain share goes to the owner in the form of rent ;

(b) Another share to the tenant in the form of profits ;

(c) A third to the labourers in the form of wages.

It may be asked whether this division of wealth is on a sound basis, whether it corresponds to the importance of the contribution of each agent in the production.

It is in fact just this distribution which is the immediate occasion of the difficulties that arise as between the three classes by whose collaboration agricultural production is brought about.

In the modern conditions of the agricultural industry as modified by tenant farming it is of importance that the following elements should be present :

Tenants, on the one hand with a free hand as to their farming operations, on the other, possessing the fundamental requisites which the owner, who can at present make a selection, should expect to find :—

(a) material resources ; it is of importance to select tenants who have adequate resources, as capital is the pivot of modern agriculture ;

(b) intellectual capital ; it is also important to select intelligent, capable tenants, with sound progressive ideas.

(c) moral qualities ; it is no less important to avoid the dishonest agriculturist who is only anxious to live at the cost of the farm ; fortunately this type is dying out.

Landowners, who are acquainted with the new methods and schemes now required for farming, ready to carry them out, living on their lands, eschewing absenteeism which means the falling off of returns and of rent payments ; and as much as possible entrusting their interests and business to competent agents.

Labourers, of steady habits and permanently attached to the farm, paid at the proper rates.

§ 2. THE LEASE.

The legal relations of the owner and the tenant are fixed by the lease.

It is the prime source of the legal rights that regulate these relations and provides the governing principle of the contract.

If the document makes no reference to any particular question arising as the result of these relations (or if the lease is unwritten), a second basis of rights is present, *viz.*, local custom and usage ; a

custom which is uniformly observed holds in law even when it is not the subject of a written document.

The third basis of rights is the law or the Code. Legal provisions are however in regards questions of letting or hiring *supplemental*, that is to say, they only apply in the absence of a formal agreement between the parties.

It is thus usually the lease which forms the legal basis ; hence the importance of the document.

Leases are often drawn up without sufficient accuracy. Before signing, the pages to be initialled should be read and re-read several times.

Tradition lingers in the notary's office, with its bursting shelves and dusty files, and the conventions of a long past age are too often revived and are copied into modern leases, being ever increasingly out of harmony with the wider ideals which have come into being since the Great War.

The lease may be written or verbal.

A. *The Verbal Lease.*

This is usually concerned with the letting of isolated parcels of land though in certain districts the use of the verbal lease is recognized even for whole farms. Landowner and tenant leave to law and custom the duration of the tenancy and all conditions other than the rent.

As regards duration, Article 1774 of the Civil Code enacts that the lease is considered as made for the time required by the tenant for gathering all the fruits of the land rented. Hence the tenancy of a meadow, a vineyard, an orchard is considered as lasting one year.

In the case of arable lands the rotation must be taken into account. This at the time of the drawing up of the Code (more than a century ago) was usually a three years' rotation with fallow, and the length of the tenancy corresponded to the length of the rotation.

The great variety in types of crop successions make reference to the law almost inapplicable ; and it is custom and local usage which in practice regulates the length of the tenancy. Thus the customary duration of unwritten leases in the province of Antwerp, where such leases are still frequent even for farms, is a single year only.

In Flemish Brabant the duration of such leases, which are very unusual for farms, but in frequent use for parcels of land, is one year ;

in Walloon Brabant, three years for lands under tillage, one year for meadowland.

In Eastern Flanders, where the cultivation is more divided up and the population more dense, unwritten leases are still the rule and their duration is one year, whatever the nature of the land leased.

In Limburg, Liège and Namur, they are exceptional for farms, but not infrequently used for parcels, three years for arable land, one year for meadow.

In Luxemburg, three years generally for very small parcels and especially for workers' potato plots; for meadow grass land one year.

In Hainault, a district of medium sized and large farms, verbal leases are still used in the Northern part of the province, but for isolated lands only, and not as a rule for the Southern districts. Duration for arable land, three years except in the North where it is one year as in the neighbouring districts of Flanders; and the same in the cantons of Celles, Frasnes, Leuze Ath, Dour and Paturages. For meadows, one year.

TABLE III. — *Length of Unwritten Lease.*

Province	Arable land	Grass-land
Antwerp	one year	one year
Eastern Flanders	one year	one year
Western Flanders	one year	one year
Flemish Brabant	one year	one year
Walloon Brabant	three years	one year (3 years)
Limburg	three years (3, 6, 9 years)	one year (3 years)
Liège.	three years	one year
Namur	three years (3, 6, 9 years)	one year
Luxemburg	three years (one year)	one year (3 years)
Hainault	three years, one year (3, 6, 9 years)	one year (3, 6, 9 years)

It may be added that immense difficulties arise when proof of the existence of such a lease is required; so long as it has not been carried out effectively and one of the parties repudiates it, it cannot be proved by witnesses except by putting the other party on oath, a method which in practice is very unreliable.

A reform which is much to be recommended is undoubtedly

the abolition of verbal agreements in connection with letting, and the obligation to use written contracts.

A legislative proposal laid on the table in the Belgian Chamber in February 1921 introduces a useful modification into the system of verbal leases. It runs as follows:

“ For Article 1774 of the Civil Code is substituted the following provision :

“ Farming leases the duration of which has not been fixed by the parties are considered to be made for three years, without regard to local usages relating to unwritten leases.

“ Leases actually running at the time when the law comes into force, the duration of which has not been fixed by the parties before that date are extended so as to expire in 1924 ”.

It would be highly advisable to add a clear stipulation to the following effect : “ The lease of a rural property must be committed to writing under penalty of cancellation ”, a necessary provision for securing the good faith of the agreement and for preventing the abuses which sometimes arise.

B. *The Written Lease.*

Form of the Lease. — The agreement may be made :

(a) Under private seal, without notarial assistance, signed by the two parties. From the point of view of validity, it is important that the deed should be drawn on stamped paper. The stamp tax is merely a contribution to the revenue, but a breach of the law in the matter, if known to the revenue officials, may involve a fine.

(b) The lease may be registered. This formality is not required for validity but for other reasons has marked advantages. In the first place its omission involves liability to a fine ; but there is a more serious aspect of the question which relates to the alienation of the property rented.

In the case of alienation, the new owner cannot put an end to the contract, if it is drawn up in the proper recognized form, *i. e.*, agreed before a notary, see (c), or made under private seal and registered.

As the law stands, the date of the lease only holds good as regards persons not concerned in the original contract (the new purchaser) in this particular case.

This point becomes very important in present conditions. Rural property is and has been the object of a large number of transac-

tions (1) ; the result has been that tenants have been evicted and this drawback has been accentuated by the question of insufficient notice or absence of notice. See below on the question of notice.

(c) The lease may be agreed to before a notary. This procedure offers no advantages over the preceding ; it may entail the disadvantage of more or less high costs and of the retention of ancient formulae, with outworn or drastic clauses.

It may therefore be safely said that the deed under private seal and registered within three months of its date is enough to safeguard the respective interests of the two parties.

Public Letting. — In virtue of the law and of administrative usage, public administrations, and particularly church buildings, charitable institutions and almshouses, etc., are expected to put their property up for public letting to the highest bidder. As a rule a statement of the charges, drawn up in advance and from the point of view of one side only, is handed to the tenant farmer. This statement contains the clauses and conditions of the contract, and, if deposited with the notary, it can be examined before signing. It is read aloud before the letting, in a language more or less intelligible. The lessee often accepts the contents blindly. Such is the first disadvantage of public letting.

There are also others. This method of letting often gives rise to an inflation of price. The fault is not that of the notary, but of the bidders themselves. To any one of them it appears intolerable that another bidder should obtain a parcel of land which would suit him equally well, and he sends the price up out of jealousy.

The results are disastrous and often the highest bidder will have to work his hardest for no return, since the profits he will be able to make out of the property will not amount to the net cost. If a whole farm has been rented, the cultivator may be ruined — for it must not be forgotten that these public contracts are made for nine years — unless he carries out methods of cultivation of such a kind as to exhaust the soil and to bring about a deterioration of the farm property.

The system by which the tenancy is put up to auction periodically tends to create a certain insecurity, since the better the farming of a good tenant the greater the number and the eagerness of the bidders against him on the next occasion.

(1) See lecture on "La situation de l'Agriculture Belge" by Alb DELOS, *Journal de la Société Centrale d'Agriculture de Belgique*, November 1921

Public administrations are of course not free, as are private individuals, to make contracts as they please, without running the risk of the growth of abuses of another kind. A partial remedy for this state of things has been devised by means of a scheme of M. Van Diemen and his colleagues containing the following provision :

“ By partial setting aside of the laws and regulations which prescribe public contracting for the letting of rural property belonging to the State, the provinces, the communes and public administrations, the administrations are free to come to an agreement with the occupying tenants as to the conditions of renewal of the farming leases ”.

Article 5 (new article 1775 of the Civil Code) is applicable to these leases.

“ In cases where the letting is put up to auction, the administrations may reserve the right of selecting the successful tenderer from among the three highest bidders, and the former lessee who has duly fulfilled his obligations will have the opportunity of taking on the lease at the price as now fixed by tender ”.

It is unfortunately the case that in certain circles other than public administrations, this process of letting by auction or by tender is sometimes adopted. It is unnecessary to enlarge on the disastrous consequences that may be entailed by these methods in a not very distant future.

§ 3. EXAMINATION OF THE ESSENTIAL CLAUSES OF A FARMING LEASE.

A. Specification of the Property Rented. Inventory.

There must be a precise definition of the object hired or rented, and from this point of view it is essential :—

(a) To guarantee the exact extent of the land. This condition may be of very considerable importance. For example : the lease may state “... area of 20 hectares at a rent of 3,000 francs, or at the rate of 150 francs the hectare ”. Subsequently the lessee observes that the extent of the land is only 17 hectares, or a difference on the wrong side, exceeding one-twentieth. Is he in a position to demand a proportional reduction in the rent? Certainly, if the area is definitely stated in the agreement; otherwise, he has no claim at all, nor can any claim be made if the area is indicated, but the difference is less than one-twentieth.

As a general rule leases are very far from being really accurate in this respect. It is essential in the second place to establish :—

(b) The easements, the boundary lines, etc., to which the property at the time the tenancy is begun is subject. The tenant is compelled by law to restore the property rented in good condition if he has so received it.

In practice the tenant is almost always expected to restore the property in good condition ; the law binds him to do so unless he can show that he has received the property in bad condition. After a number of years, however, this is by no means easy to prove. There is a very convenient method of ensuring such a proof, namely, the drawing up of an inventory at the conclusion of the lease. The following is the procedure adopted : The owner and the tenant, or two experts nominated by these two persons, inspect the buildings, the state of the fences, arable fields and grassland, estimate the quantity of straw, manure, state of the forage crops, the meadows, etc., and make out a detailed statement of the information they have obtained.

On leaving, the outgoing tenant will discharge his legal obligation if he restores the property in the condition as shown in the inventory drawn up at the time of his entry. An inventory carefully drawn would do away with, or provide a simple solution of, the difficulties attending the taking up or surrendering a lease.

Repairs. — The making of the inventory implies the question of the repairs which may have become necessary during the currency of the lease. By which party is their cost to be borne ? The minor maintenance repairs or tenants' repairs fall on the tenant farmer as being inseparable from usage ; these include whitewashing and painting inside walls, maintenance of fences, field gates, mangers, hay racks, care of water courses, brooks, ditches, roads, bridges, conduits, hedges, trees, etc. The large repairs falling on the lessor are mainly the following : all external whitewashing and painting, upkeep of roofs, important repairs to wells and cisterns, doors, windows, chimneys and all repairs made necessary by wear and tear of buildings.

B. Period of the Lease.

Long leases were formerly almost universal in Belgium, and many farming families held land on the terms of a perpetual lease.

At the present time long term leases are very rare in Belgium. Beginning with the period of a three years' rotation (as in the unwrit-

ten lease), and having regard to the fact that this short period leaves the farmer too much exposed to risk from crop failures, the period of agreements for leases was extended to cover three rotations: hence the leases are for 3, 6 or 9 years.

The advantages of long term leases are manifold, as much from the national point of view as from that of the individual, since this type of lease best harmonizes the interests of owners and lessees.

When the leases are for a short period cultivation and land improvements cannot be undertaken seriously. Only long period leases make it possible for the tenant farmer to undertake important improvements in methods of cultivation, from which he may reasonably hope to reap the full benefit.

A cultivator who lives in anticipation of being obliged to leave his farm after a few years of working can only carry out the easiest form of cultivation, for only in this way can he recoup himself for his original outlay.

On taking over a property, there are items on which the tenant is bound to lay out money, such as manuring, liming, marling, etc.; but the approach of the end of his tenancy makes necessary such methods of cultivation as will repay him for his expenditure.

Hence in a district where short term leases are the rule, the land is subjected to a system of progressive exhaustion which is a danger to society as well as detrimental to tenants and owners alike. The time of the tenancy is divided into three periods of cultivation: improvement, enjoyment and limitation of outlay.

(a) In the first, the cultivator brings the land up to a point of suitable productivity.

(b) In the second, he maintains the productivity of the soil and obtains the fruits of his work and his outlay; this is the normal period of profit.

(c) In the third period, the outgoings are limited to the strictly necessary expenses and the lessee takes all he can from the land so as to recoup himself for his outlay; at the end of this period the soil may be impoverished, covered with weeds and generally in poor condition. It is understood that both the first and the last period last for three years. The advantage of long leases is thus abundantly clear.

At the end of the tenancy the farmer has to watch the sale by auction of the live and dead stock and the dispersion of the farm equipment and of the animals so well adapted to the district and to

the farm, and thus at times sees the destruction of the skilful and careful work of many years.

On the other hand the large scale farming of the region of Paris, Northern France, the clay lands of Flanders and Tournai tells a different tale.

The leases contain the clause securing to the tenant the right of surrender of his right to work the farm even in the course of the lease. He remains in respect to the owner as security for the rents still due; in the event of formal acceptance of his successor by the lessor, he is released (*cède son affaire*).

But, and this is the point of special interest, the tenant farmer on surrender may ask a surrender price for the live or dead stock, the crops in the ground and also for the improvements which he has been able to effect the benefit of which is passing to his successor.

It follows then that the tenant who decides to surrender has no interest in exhausting the land he is going to leave, but on the contrary in enriching it, since he is to be paid by his successor the plus value of what he has put into the soil.

No farm is more carefully nursed in fact than the one that is on the point of being surrendered. It is made ready as an animal is made ready for sale since the more outlay incurred the more can be claimed from the successor as compensation, under the head of *pas de porte*, *pot de vin*, *droit de chapeau*, and *pachtersrecht* (tenant's right).

In this way a solution is found, through freedom of contract, of three problems which have for a long time engaged the attention of tenant farmers and landowners in Belgium: 1. the maintenance of the productivity of the soil, the preservation of its original strength (*vieille force*); 2. the legitimate automatic compensation of the outgoing tenant for improvements; 3. the possibility of making long term agreements.

The drawback to this practice is of course the necessity for having large capital sums available for taking up the lease, which does not occur in the Walloon large scale farming.

Long term leases thus offer *a priori* considerable advantages. As regards national production, it may be asked how far is production reduced by the state of uncertainty on the part of the outgoing tenant and the period of restoration, which is incumbent on his successor.

Estimating this reduction at 5 per cent., an underestimate in point of fact, for the last year of a lease of nine years, and at a similar

rate for the two first years of the incoming lessee, taking into account the building up again of the constituents of the soil, and estimating on the other hand the annual production of Belgian agriculture at 6,000,000,000 francs, a figure which is at present exceeded, we have :
 Year of outgoing, 5 per cent. of 6,000,000,000 frs. = 300,000,000 frs.
 Two first years of incoming,

$$\begin{array}{rcl} 5 \text{ per cent. of } & 12,000,000,000 \text{ frs.} & = 600,000,000 \text{ ''} \\ & & \hline & & 900,000,000 \text{ frs.} \end{array}$$

and this over a period of nine years which makes 100,000,000 francs per year.

From the point of view of the owner and the lessee, the former frequently sees the value of his estate diminish, and the latter feels the effects of a reduction of returns, which, though often without his being fully aware of it, resolves itself into an operation financially disastrous.

C. *Rent.*

On the amount fixed as the rent frequently depends the success or ruin of a farm undertaking. In the present unstable conditions it is advisable to exercise the greatest care, and nothing is more regrettable than those inflated ideas which involve agriculturists in the payment of exaggerated rents.

On questions connected with letting or renting some persons behave with all the prudence desirable and make no concessions beyond what is absolutely incumbent on them, but wise councils of this kind are not followed by everyone. Young farmers and the small holders who wish to "look large" allow themselves to be easily lured by prospects of profits which give them a false confidence and prevent them from making a cool estimate of what is really to their interest. There is a natural tendency to spend in advance profits that are more or less hypothetical and in the expectation of future income people tend to be generous to excess. Even if it were absolutely certain that one might do better than the rival agriculturists, it would be unpardonably unfair to take a farm at a rent above the normal rent ; by so doing a sum is used up which is a return that is no more than the fair remuneration of the skill of which proof has been given by the very securing of that return.

It is surely often wise on the part of the lessor to keep down the

offers of would-be tenants to a moderate figure. To let a farm at a high rent is not everything, it is something too for the rent to be paid regularly and not to expose the property to the risk of a possible depreciation.

With a tenant who rashly agrees to charges that are too high the recovery of the rent becomes a difficulty and sometimes strong measures have to be taken ; the cultivation is inevitably neglected and the deteriorated property is no longer in good condition when the time for renewing the lease arrives.

Good tenants moreover are not inclined to pay too much ; and further the proper upkeep of the property is endangered when the tenant has to carry on a cultivation which exhausts the soil so as to compensate for the inflation of the rent.

It is unnecessary to dwell on the fact that the two parties must also take account of the qualifications which a farmer should possess which are such important factors in the success and tranquil course of the undertaking ; no tribunal can bring about a change in the mentality of a litigious owner or of a careless tenant.

D. Season and Conditions for taking up a Lease.

These may very usefully be inserted in the lease. Very often the clauses relating to the conditions reproduce the local customs which regulate them ; the reference in the lease only serves to give them more weight and obviates disputes between owner, and outgoing and incoming tenant.

The circumstances of entering on the tenancy vary as regards :

- (a) the season ;
- (b) the taking over by the incoming tenant of the crops belonging to the outgoing tenant ;
- (c) the sown land left for the incoming tenant.

The dates of entering and quitting are fixed in such a way as to make as clear a demarcation as possible between the two managements. A complete correspondence is not possible in the case of the taking up of farms situated in different districts which may occasion a modification of the relations between the incoming and outgoing tenants. In the province of Antwerp, the most usual dates are 15 March and 15 August. On the first of these dates the farm is given up and a part of the lands. The fields cultivated in cereals will be left free after the reaping of the principal crop.

Brabant. — In the Flemish part of this province the most usual date is St. Andrew's day (30 November), but exceptionally also 25 December, as at Assche and Wolverthem. The terminal dates of 1 October and 1 November are also found but rarely. In the canton of Hal and in all the Walloon part of the province, the surrender is fixed to take place in September; the farm buildings are released on 15 March.

Eastern Flanders. — Two types of leases occur: the Christmas (*Kerstmispacht*) and the September leases (*Septemberpacht*). In the Polders and in the North-West of the province leases end on 1 October (*Octoberpacht*). The surrender of the farm buildings takes place in the spring.

Western Flanders. — The most usual date is St. Bavon (1 October) and the outgoing tenant may not sow a second crop. The lease of the meadows comes to an end in November (usually St. Martin, 11 November), more rarely on 25 December.

Limburg. — There are no less than six different dates recognized in this province. Usually the farm buildings are released in the spring (15 March); the meadows in the previous winter; the arable lands after the harvest. Leases however also terminate on 1 October, 30 November and 25 December.

Province of Liège. — Small plots are surrendered after carrying the harvest. As regards the farms special mention should be made of the grazing district of Herve where the outgoing is fixed for 1 May. In the majority of the other districts, the change of tenant takes place on 15 March. The outgoing tenant has the right of harvesting the winter grain crops after his departure.

Luxemburg. — The customary date of quitting is 1 May, but exceptionally are also found leases expiring in March, September and October.

Province of Namur. — The cereal fields are usually surrendered after the principal crop, more rarely on 1 October or 1 November. The buildings are given up in the month of March or in May, the meadows at the New Year.

Hainault. — The terminal date of 1 October appears to be the most usual; even the buildings are often given up before the winter. The agriculturists in Tournai have decided to alter the date to 1 September, thus leaving the incoming tenant rather more latitude for his autumn cultivation.

Such then are the dates for quitting the farm; the next question

is the mutual obligations of the outgoing and the incoming tenant.

While the tenant of an urban holding makes his departure in one act, the case of a tenant farmer of rural property is different. Hence as has just been seen there is an intermediate period during which the farm is occupied for a time by the two holders simultaneously; the new tenant coming in, for example, in March has already taken possession of the buildings, and is busy with the spring cultivation while the hard grains are still growing in the fields and their harvest will be gathered by the original tenant in August.

This delicate stage of the proceedings sometimes involves a certain friction, and is the time for both sides to show that they can be accommodating.

In this respect there is a difference between the two Flanders, the region round Tournai, the greater part of the French speaking agricultural regions, where the system of tenancy surrender prevails and the other regions of Belgium as regards the method of quitting farms. In the former districts where *pachtersrecht*, the *droit de chapeau*, the *pas de porte* exists, the outgoing tenant proposes his successor to the landlord; he has previously come to an understanding with him on the subject of the valuations and for the handing over of the growing crops and, if the case arises, for the dead or live stock on the farm.

It is impossible here to give any fuller information on the subject of the mutual obligations of the incoming and outgoing tenants; they vary according to the conditions of the agriculture of the district, the moment of handing over the crops, etc.

On this subject the lease is the first source of information.

There are two obligations which should be mentioned. The law sums up the question of incoming and outgoing as follows:

(a) "The outgoing tenant must leave to his successor in the work of cultivation all accommodation and other facilities for the farm work of the following year, and as a reciprocal obligation the incoming tenant must provide for the outgoing tenant convenient stabling and other facilities for the consumption of fodder and for the crops still to be reaped".

There is thus a give and take; the guiding principle for those concerned should be to be not too exacting in taking and to give everything of which they have no urgent need.

This is the price to be paid for keeping the peace, and as has been

said the drawing up of an inventory is a great assistance towards the maintenance of a good understanding.

(b) The second obligation of the outgoing tenant is to leave the last year's straw and fertilizers to his successor.

The object of this "surrender" is the good of the farm itself; each one takes his share, for the outgoing tenant of to-day is the incoming tenant of to-morrow in another farm. The courts however rightly rule that the tenant may freely sell the quantities of straw, hay, etc., which are in excess, that is to say which cannot be consumed as forage or as litter.

Here a difficult question is raised. Has the tenant a claim in his own right to compensation on the straw and manure he leaves behind?

The law only says that the tenant must leave straw and forage, gratis if he received them on coming into possession and according to valuation which must be made, if he did not receive them on "entry".

The handing over of straw and fertilizers is in fact governed by local usage and the deed of lease may define them. It is impossible to give here a list of local usages.

Two customs are however found throughout a whole region and a brief reference to them should be made. One is the *pachterrecht* of Flanders, well known in rural economy as the right to valuation, an institution which has existed in Belgium from time immemorial, and the *droit de chapeau*, which is in force in the Tournai district.

The *pachterrecht* is a custom imposing on the incoming tenant the payment to the outgoing tenant of the value of the goods left by him: straw, fertilizer, manure, manure already on ground, crops in the ground.

The districts where this right of valuation holds are —
Eastern Flanders as a whole.

Western Flanders, the greater part; it does not apply in the "polders" districts, the Veurne-Ambacht, the marshy lands of the Poperinghe district. The right is very generally found in the sandy lands and in the light marsh lands of the Courtrai district.

Province of Antwerp. It is practised only in "Klein Brabant", the South-western part of the province between Rupel and Escaut.

Brabant. It is found in the administrative area of Brussels, as well as in the cantons of Louvain and Tirlemont. It is unknown in French-speaking Brabant.

In the *provinces of Limburg, Liège, Namur, Luxemburg, and Hainaut* compensation for manure in ground is unknown except in the case of sudden eviction, notice to quit not being compulsory. A favourable precedent is established on this point in Walloon districts. The district of Tournai must be sharply distinguished from Hainaut, a custom existing there which is more or less similar (see below).

The objects for which compensation may be allowed in these regions are very variable and it is in Flanders that the valuation rights have the widest interpretation. Here not only is compensation granted for fertilizers, including past seasons' manurings, but also for repair of roofs, maintenance of ditches, hedges and fences. Where sowings are made by the tenant, the young clovers and swedes also come under the valuation, and similarly liming, drainage, etc.

The method of determining the values of the items is of importance. An outstanding fact is that there is no advantage or justice in this institution except in so far as it is reasonably applied in practice. In other words, the valuations should be made with due elasticity, avoiding a stereotyped routine, and they should be carried out by competent valuers. It is the duty of such persons to fix the compensation in accordance with the actual conditions of the property, a very delicate and often very complicated business (see on this subject "*Het Pachtersrecht en de prijszijen in Flanderen*" by H. De Keyser, *Staats Landbouwkundige te Kortryck. Boek. Vermaut, Courtrai*). The application of a rigid customary tariff without a thorough examination of the true economic facts may end by being highly prejudicial. The expert should know how to make his valuations repay the actual work done by the outgoing tenant. The effect, whether advantageous or otherwise, of this claim depends in short upon the competence and the honesty of the valuers.

Their duties are as follows: To begin by determining the quantities of manure and liquid manure in the tanks and to estimate their value from consideration of the kind, and of the method of feeding the stock that has been followed; to visit the fields in order to ascertain the extent and value of the previous manuring (a difficult matter, involving the consultation of invoices, receipts, etc.); to estimate the true values of the growing crops and to appraise fertilizers, seeds, labour, etc.

The compensation is by rights due from the owner, since it is his property which is enriched, but is in fact paid by the incoming

tenant. As has already been said, the owner does not figure at all ; the outgoing tenant has usually another tenant in view to succeed him whom he recommends to the lessor. The two tenants nominate the experts and the price of the valuation is paid direct to the outgoing tenant by his successor.

Droit de chapeau — This right undoubtedly includes a payment to the outgoing tenant for manure and improvements, but it is also payable when lands are handed over in poor condition. It further implies an understanding that no unfair advantage will be taken of the new tenant. Thus it is the price of the manure with something thrown in for good will (" *du bon gré* "). Practically the tenant in the Tournai districts (arrondissement of Leuze-Ath) considers his enjoyment of the property as deriving from a real co-partnership in the property rented. Legally of course this right is open to dispute and it would certainly be preferable to make proper surveys in order to avoid inflation of prices, as well as certain forms of vendetta to which the exercise of this right has given rise.

The transfers are carried out in the following way :

When a tenant gives up his farm, he looks for a successor who will pay him the highest amount as *droit de chapeau* (this claim having been already paid by himself on entry), and he introduces his candidate to the owner who has the legal right of acceptance or refusal. A refusal may, for example, take place where the lessor knows of a tenant from whom he can demand a higher rent.

In this case the benefit of the *droit de chapeau* will be lost for the outgoing tenant as the new occupier does not pay him any indemnity on entry. Actually this case does not arise because of the question of *mauvais gré*, or organized ill-will.

Mauvais gré has been defined as practical solidarity as between all cultivators in their relations with landed proprietors. This is really an euphemism, for the acts of *mauvais gré* which for several centuries have been the outcome of this peculiar conception of their rights on the part of the cultivators in the Tournai district make up a long tale of various forms of intimidation and boycotting, as practised by the *Vengeurs de Moral Publique* or the Defenders of Public Good Will.

A tomb dug in a field, a cross planted at the corner of the transferred holding, a box of matches scattered on the doorstep of the " intruder's " house, a half-burnt out torch by his barn, all heralded various acts of violence, disasters, mysterious occurrences, such as the

breaking down of fences, the burning of the crops gathered on those "banned" fields, etc.

But "heroic" tenants were the exception. In case of serious friction or marked disagreement between the outgoing tenant and the landowner, there was complete abandonment, and in the last analysis land lapsing into waste, desolate land no longer worked by the plough and given up to the roughest kind of pasture. In the end the differences are composed, both parties being concerned to see an end to this form of land strike. Sometimes it also happens that in order to extricate himself from the situation, the owner sells the property or exchanges it with a friend, who immediately calls back the contumacious tenant.

All is however now changed, and the *mauvais gré* with its acts of violence is only now an evil recollection. But even though these reprehensible methods, practised for so many centuries outside the civil law, disappeared twenty years ago, they have left abiding traces and given rise to deeply rooted customs, constantly applied and freely accepted in connection with the surrender of farms. The most complete solidarity exists among agriculturists; the outgoing tenant has in practice no reason to fear the intrusion of a third party either at the time of the renewal of the lease or when he chooses his successor. He takes the fee, and introduces his successor to the landowner, who always accepts him, putting off any other applicant who makes proposals without the knowledge of the outgoing tenant.

Three conditions are however regarded as essential to the enjoyment of these advantages:

(a) the occupier must hold his land on a "good will" footing from the time when he takes it over;

(b) he must pay his rent regularly;

(c) he must pay the price normally agreed to by the other occupiers under similar conditions.

In these circumstances the Tournai cultivator can see with equanimity the end of his lease in sight. "No one is uprooted against his will"; and when owner and tenant each have the same interest in the maintenance of the peace a mutual understanding quickly comes about.

Hence in this region there are to be found farms that have been worked for centuries by the same family; and it is impossible to deny the advantages of this long occupation as shewn in the agricultural value of lands carefully kept; the improvements made all the time by

the occupiers, whether in the form of drainage, or laying down meadow, erection of farm buildings, even repara cellings, excellent relations between the parties, avoidance of litigation, etc.

The amount of the *droit de chapeau* varies with the fluctuations of rent and also with the law of supply and demand. During the years of the agricultural crisis, it fell from 300 to 400 francs per hectare; in 1920 in the region of Leuze it was as high as 600 francs for land after the reaping of the cereal crop, and for land after the harvesting of manured beetroot or potatoes as much as 1,000 francs per hectare; in the district of Tournai it fluctuates between 1,000 and 1,500 francs per hectare.

E. Harvest Losses in the Event of Unforeseen Accidents and Indemnities.

Occurrences of this kind are : flood, hail, frost, drought, lightning, war. The present Code does not expressly lay down any rules on the question of compensation. The majority of written leases include the following clause: " No reduction of rent will be made on account of hail, drought, flood, fire, acts of war, etc. ", but it must be recognized that in fact many proprietors agree to reductions in these cases.

However this may be, the *Commission pour la révision du Code Civil* has considered the position, and has introduced a clear distinction between ordinary accidents, such as hail, frost, drought, fire and periodical inundation, in which cases the tenant has no claim to the reduction of his rent, and extraordinary cases such as result from war and exceptional non-periodic flooding, when the tenant will have a claim to a proportional reduction of rent in any year in which he has lost more than one-third of the crops while they are still on the ground.

The amendment proposed by the Commission concludes as follows: " Every agreement which would make the tenant bear the cost of these extraordinary unforeseen occurrences, such as pillage in time of war or floods to which the district is not usually liable, is considered as cancelled ".

In this way losses against which the cultivator can take out an insurance are perfectly fairly left out of count. For the rest, in the case of fire in particular, the magistrate has power to grant postponement of rent payments. Questions relating to game and to rabbits are connected with this subject of damage to crops. The tenant can legally —

(a) claim an indemnity from any persons hunting or shooting over his ploughed or sown fields ;

(b) destroy any *bêtes fauves* (wild animals) which may damage his crops. The wild rabbit is included among these, but, unless the cultivator is provided with a game license, rabbits cannot be shot, nor taken in snares or traps. The methods which are not prohibited include ferreting, smoking out and digging out of the warrens, all of them being methods which may or may not give adequate protection ;

(c) make use of the right to claim from the owner of the game a compensation equivalent to twice the amount of the damage caused. The procedure is simple, rapid and not costly. The case is one which a Justice of the Peace can decide, and it may be brought before him by personal visit or special application. The magistrate appoints an expert, fixes a day for an inspection of the spot affected and gives his ruling, which is sent through the post to the parties concerned.

The compensation amounts to twice the damage. This obligation on the part of the magistrate to "see everything double" constitutes a kind of coercion of which the object is to force the sportsman to keep the number of destructive animals which are particularly troublesome in the neighbourhood of certain forests, within normal and reasonable limits.

F. *Farm Improvements.*

Reference has already been made to the importance of the inventory. Legally the tenant is bound to restore the property in the condition in which he found it. Hence at the end of the lease the tenant may benefit by any plantations or buildings which he may have made, removing them, if he so wishes, provided that he restores the property in its original state. The lessor may object to any removal, but must compensate the tenant. Such is the law of the case, but in practice leases often contain clauses which restrict or forbid the making of any changes on the farm without the authorization of the lessor. If the tenant erects buildings (storehouses, etc.) or carries out plantings (nurseries, plantations of standard trees, etc.), of such a nature as to divert the land from the use for which it was hired, he makes a breach of contract. But this case does not generally arise. Where changes are made they generally take the form of true improvements from the point of view of the actual purposes of the farm (e. g., piggeries, ventilation, hedges, etc., construction of liquid manure tanks, hydraulic pumps, under-drainage, etc.) such as might be considered to be the real duty of the

tenant to carry out for the purposes of his farming, seeing that he is bound to cultivate to the very best of his ability (*en bon père de famille*). At the end of the lease it would be equitable, in these conditions, that the lessor should take over, on expert report, any improvements of this kind that have been carried out. The duty of the experts consists in estimating the value of the work carried out from the point of view of the lessor. As however one cannot call upon the owner to pay a sum out of proportion to the rent, a stipulation may be made that the sum that he should be called upon to pay shall never exceed either so much per cent. of the rent, or so many times the rent.

The principle of this indemnity has been accepted by the *Cercle d'Etudes des Agronomes de l'Etat*, and also appears in the model form of farm lease for the different agricultural regions in Belgium prepared by this *Cercle d'Etudes* (see below).

“ The tenant shall be compensated for any improvements that he has carried out without the previous consent of the owner, provided that they have in fact increased the value of the property. The indemnity shall be limited to a third (or a quarter) of the yearly rent ”.

It might be possible in order to protect the interests involved to arrange for some form of sharing the improvements.

It is obvious that the position can only be regulated by the terms of the lease. The compilation of an inventory ; previous agreement between owner and tenant with reference to the question of improvements to be carried out made at the time of entry in the tenancy ; definite clauses relating to the share of either party in these improvements ; clauses based on the views expressed above ; such are the practical means whereby serious difficulties may be avoided.

G. Sub-letting.

Sub-letting, which is allowed by the law, is often barred by the lease. This prohibition is equitable when it refers to the transfer of part of the land to a third person. Certain tribunals have ruled that the granting of a parcel of ground to an agricultural labourer or the exchange of a piece of ground at a distance does not constitute a true sub-letting, and the tenant does not thereby contravene the clause which bars sub-letting. Owners may well encourage transfer of this sort to agricultural labourers for the cultivation of the produce necessary for their household requirements and for keeping small

live stock, and the lease may with advantage contain clauses in view of the possibility of making these concessions.

H. *Straw, Forage Crops, Manure.*

The removal of manure from a farm is not generally conducive to its economic working. Most leases contain clauses to prohibit the sale of manure and stipulate that it shall be used solely for the purposes of the farm. The sale of straw is prohibited by the clauses of certain leases, but these clauses are generally rightly disregarded, and the legislation of today is in favour of sales even if they are forbidden by the lease. Such a prohibition was justifiable when cereal yields were small, but the present yields are generally such as make it impossible to use all the straw on the farm and provided the privilege is not abused, sales of straw should be allowed on the same terms as those of other farm products.

In order that the soil may retain its original strength and physical character, it is in any case in the interest of the two parties, where necessary, to see that these qualities are duly maintained by the use of a proper quantity of manure. Hence the following clause may properly be included in leases: "The farm shall always carry at least the equivalent of 300 kg. of live weight of stock per hectare (marsh area)". . . . If during the last three years of the lease the tenant has maintained a higher proportion of head of stock, he will have the right on surrender to an indemnity equal in value to the manure produced by this surplus of stock. If the number or live weight above mentioned is not maintained, the tenant will pay the landlord for the value of the manure at a price of . . . " (see model lease below).

As regards straw, the tenant is generally bound on surrender to leave a fixed quantity equivalent to that which he himself received on entry. The model lease in Condroz also generally contains an obligation to maintain live stock equivalent to 500 kg. of live weight per each two hectares, a weight that is adequate for the consumption of the normal amount of litter, and to leave an amount equivalent to that received on entry of dry forage, straw and an area as agreed on entry of growing leguminous crops. Here again one can see the primary importance in such conditions of a properly drafted inventory.

The clause relating to the maintenance of stock gives sufficient security to the landlord; it is also equitable for the tenant provided that he is allowed the choice of the nature of the stock to be kept, whether cattle, horses, pigs, store cattle, etc.

The following is a general practical rule which may serve as a basis in such cases though it may require a certain amount of correction in particular instances.

On the assumption that half the land is given up to forage production including leguminous crops, meadow lands and roots, and that the annual consumption per head of cattle of an average live weight of 600 kg. is 4,000 kg. of hay (12 kg. of dry matter per day give 12×365 equals 4360 kg. of dry matter per year), the following is the number of head of cattle which it will be possible to maintain on the farm having regard to its forage production.

Forage in dry state Hay value per hectare		Ratio of cattle to area --	
1,600 kilogrammes (1)	1 head for 5 hectares (1)	
2,000	»	1 » » 4	»
2,666	»	1 » » 3	»
4,000	» (250 kg. live weight to the ha.)	1 » » 2	»
8,000	»	1 » » 1	»

I. *Expiration of the Lease. Notice.*

The lease of the customary length legally comes to an end at the expiration of the period for which it is made ; the unwritten lease at the expiry of the usual term ; the law does not require any notice in the case of rural leases. Hence in principle notice to quit is not required. The owner may wait for the last moment to inform the tenant of his intention of putting an end to the lease or not.

There is however an exception to this rule. If the lease itself prescribes the notice, the terms of the clause must be observed. This is the case with leases of three, six and nine years, which are really nine year leases, terminable at the end of every three years ; anyone wishing to avail himself of the opportunity must keep to the times prescribed in the contract.

The three or six months notice mentioned in certain leases is insufficient, inequitable and prejudicial to good cultivation. The *Group d'études agraires de l'Institut de Sociologie Solvay* has suggested the following form of wording :

“ The lease can only be terminated by an announcement made at least a year in advance by the contracting parties. In default of

(1) One head for 2.5 hectares, but as only the half of the land is reckoned as being in forage crops one head is reckoned to five hectares.

such notice, a new lease is understood to be entered on for a period of 15 years". (See below).

In a legislative proposal lately placed before the Belgian Chamber the following clause appears :

" Article 5. — Article 1775 of the Civil Code is replaced by the following provision :

" The lease cannot be terminated except by notice given, by the tenant at least one year before the expiry of the term, by the lessor two years before the expiry.

" If the lessor wishes himself to occupy the premises which have been rented, or to have them occupied by his descendants, or by those of his consort, this period will be reduced to one year. The lessor who in this case neglects to carry out his intention within three months of the departure of the tenant, will be liable to payment of compensation for any loss to the latter.

" In default of this notice, a new lease is drawn up under the conditions established by Art. 4 (1776 new article, see above).

" Any waiver in advance by the tenant of rights secured to him by the present article is void ".

On the other hand, the bill under discussion provides in Art. 6 : " Paragraph 2 of Article 1748 of the Civil Code is replaced by the following : The purchaser of a rural property cannot evict the tenant, even when the lease is not duly authenticated, or has no fixed date of expiry, or even when it contains a clause allowing eviction, without giving notice in accordance with the rules prescribed by Article 4 (1775 new article. See above).

" He shall observe the provisions of the lease or of the customary usage as regards date of outgoing.

" Any waiver in advance by the tenant of rights secured to him by the present article is void ".

J. Restrictive Clauses.

Stipulations are sometimes found limiting the action of the tenant. It may be observed in this connection that these restrictions are more commonly found in the less advanced countries ; they become less stringent and gradually disappear as there is more prosperity and an increase in general resources, technical knowledge and intensity of cultivation. In these circumstances, limitations of any kind would tend to keep away the best cultivators.

Clauses however are sometimes found forbidding the tenant to make

any change in the rotation of crops (*dessoler*), or to alter the order of cultivation (*dessaisonner*).

Dessoler. This term has two meanings. It may be used to denote the replacement by the incoming tenant of a biennial or a triennial rotation with fallow by an alternating rotation.

It may also be used when after having adopted a special rotation the tenant is compelled by the terms of the lease to cultivate by fixed areas and times during the last few years of his tenancy, so as to surrender the land divided into two, three or four cultivation areas according to the customs of the district.

The word thus relates to a change in the rotation in respect of the kind of crops cultivated.

Dessaisonner. The prohibition implies that the tenant cannot break up the artificial grassland, when the leases are of short duration without authorization from the lessor. The word thus applies to an alteration in the order of rotation.

This clause, which compels the observance of a local customary rotation or a fixed order of crops, places an obstacle in the way of any progress and is incompatible with the present rapid changes in the markets for agricultural produce.

It moreover becomes impossible for the tenant to comply with any obligation imposed by the owner to introduce a new rotation.

The lessor may provide by special clauses against certain abuses which might tend to produce alterations in the physical and chemical condition of the soil (see above : clause relating to the live weight of stock), among such abuses being the uninterrupted succession of cereal crops on the same area during the last two or three years of the lease, etc. The restrictions relating to the root crops are of no value as the direct interest of the tenant accords with the satisfactory upkeep and productivity of the estate; he has to secure a return on his invested capital.

In consequence a number of lessors have given up any attempt at interference in tenant's action as regards rotations, and many leases leave him a quite free hand as regards methods of cultivation.

The only admissible restrictions apply to the last year of working the farm, the agreements usually containing clauses referring to the time of giving up the tenancy; the quantity of clover and leguminous crops taken over on incoming must be the same, and generally the state of the crops as found on entry must be reproduced on surrender. The same applies to the permanent natural pastures; it is of course

forbidden to break them up, unless they are restored to their former state in view of the conclusion of the lease.

Artificial or temporary grasslands, laid down by the tenant, are not specially considered in the leases, but form part of the rotation.

In short the limitation of the powers of the tenant is not in keeping with the new and effectual resources he has for cultivation, for fertilizing and for intensive production, now become the only type which is remunerative. The interest of the owner is here linked with that of the tenant.

K. Reform of the Legal Regulation of Farm Leases.

From the previous considerations which have necessarily been much condensed, it appears that in principle the law ought to secure for the cultivator freedom in his farming methods and provide him with the certainty that he will reap the fruits of his efforts. It is only in such conditions that a farmer can without anxiety develop in the highest degree possible the production of his farm to the advantage of all concerned.

The *Commission pour la révision du Code Civil*, the *Groupe d'Etudes agraires de l'Institut de sociologie Solvay*, the *Conseil supérieur de l'Agriculture* have on many occasions considered these questions.

At this stage there is no doubt that the principle of freedom of contract will be quoted against the partisans of legal intervention. Tenants and landlords should be able to come to an understanding on the basis of a well thought out type of lease adapted for the particular form of cultivation in each region. But when there is keen competition among tenants this liberty of contract does not as a matter of fact exist. Hence a law embracing certain reforms such as have just been sketched out is desirable on all counts. The reforms to be specially noted are in respect of :

- (a) the obligation to make an inventory ;
- (b) land improvements ;
- (c) provision for unforeseen occurrences ;
- (d) the period of the lease ;
- (d) the abolition of restrictions on methods of cultivation ;
- (e) the organization of Agricultural Courts.

At the same time there must not be expected of legislative measures more than they can provide in Belgium, where such diversity in crops, in the forms of rural life and in local usage prevails.

The choice of tenants based on the qualities a farmer should

possess — the qualities already described — will moreover put the owner in a position to waive the special rights allowed to him under the law. Legally he has the right of lien on the stock and on the harvests of the tenant when the latter does not pay his rent or does not carry out his obligation to cultivate the farm with all possible care (*en bon père de famille*) or fails to execute the proper tenant's repairs. The extent of this claim is as follows: "three years back rent, the rent for the current year, compensation for losses due from the tenant in respect of the non-execution of repairs," (Art. 9 of the law of 15 April 1884 on Agricultural Loans, which represents a great advance on the Law of 16 December 1851, under which three years' back rent had to be paid on all the years yet to run). As a matter of fact this right was rarely exercised and certain economic drawbacks have been attributed to it, among others a restriction of the credit of the tenant, this credit being subject to the landlord's claim as explained, and all other sources of borrowing being closed; the taking up of the farms, in consequence of increasing competition, by tenants with insufficient capital and insufficient capacity, with the result that the standard of farming is lowered and the agricultural assets in general reduced. Hence in the last resort there is depreciation of land values to the great loss of both parties. It is impossible to repeat too often that in the leasing of farms the technical and financial status of candidates, their sense of honour and their capacity to pay should be given fullest weight. In these conditions the owner will rarely have occasion to exercise these special rights, which will become automatically extinguished. In order to limit and keep this right within reasonable bounds the bill referred to proposes that the lessor's privilege shall not extend beyond one year's back rent and the current year's rent.

Agricultural production has suffered an incalculable loss from the anti-economic choice of tenant farmers in Belgium, where in consequence of the competition that exists a real selection might have been made.

§ 4. AGRICULTURAL COURTS.

For twenty years past a number of bills relating to agricultural courts have been introduced in France.

The sole object of some of these is the appointment of farm councillors (*prud'hommes agricoles*) whose function is to settle disputes arising between masters and men; others take account in addition

of difficulties as between owners and tenants ; and there are also proposals the object of which is to set up agricultural courts on the model of the *Tribunaux de Commerce* as existing in Belgium. The unction of these courts would be to decide disputes arising among persons engaged in agriculture, in particular in farm undertakings.

How far would an organization of this kind be of use under Belgian conditions ?

A resolution in its favour was passed by the Provincial Commission of Agriculture of Namur, and was discussed by the Higher Council of Agriculture (Meeting of 30 aprile 1911).

The situation at the present time is that the ordinary competence of the Justice of the Peace (who is by definition a magistrate specially concerned with the settlement of differences) is limited for civil business, but Article 3 of the Law of 25 March 1876 allows him to deal with questions, which often relate to the law on special agricultural questions and that whatever may be the amount in money at issue.

Examples (indicated in the article already quoted) :—

1. Questions relating to tenants' repairs ;
2. Compensation due to the tenant for non-enjoyment, and in particular for straw, fertilizers and seeds handed over ;
3. Undisclosed defects in sales and exchanges of animals ;
4. Deterioration and losses owing to bad cultivation (cases specified in Articles 1732 and 1735 of the Civil Code) ;
5. Boundary suits, including those relating to distances prescribed by the law for plantations of trees or hedges, etc. ;
6. Disputes relating to sales of seeds, of fertilizing substances and feeding stuffs (Law of 21 December 1896).

The above are various disputed questions of a purely agricultural type which should be decided by the Justice of the Peace.

According to existing procedure, this magistrate appoints an expert and if necessary an expert on the other side, and he is often obliged merely to confirm their reports as a matter of form.

Complaints are made in various agricultural circles as to the resulting situation, and a remedy is being sought.

The first solution is one that was brought forward in the Higher Council of Agriculture. It is based on the fact that by Article 94 of the Constitution " no special commissions nor tribunals may be set up under any title whatever ", an obstacle being thus placed to direct action.

It should be noted that the *Tribunaux de Commerce* date from before Belgian independence and in their case the Constitution merely recognized an existing situation.

Accordingly the first solution is as follows :—

In place of merely giving a formal confirmation, the Justice of the Peace will have the assistance of two assessors who are experts in agriculture, appointed by the Ministry of Justice, on the proposal of the Chambers of Agriculture, assessors chosen for example from among rural engineers with a special training or from the State agricultural experts.

The magistrate shall himself give judgment, but it may be stipulated that his judgment is given after hearing the opinion of his assistants.

The advantages are evident :

(a) In place of a decision in the case on the report of experts, the same procedure of nomination of experts being followed, the magistrate would have the advantage of instruction from his two assistants which he can discuss and then give a judgment which is in real accordance with the facts of the case ;

(b) The settlement of the disputes by mutual understanding rather than legal process would be more frequent ; the addition of two persons competent in farming would give more weight to the efforts of the magistrate towards conciliation, and more confidence to the parties.

The second solution which was approved by the Higher Council is more in accordance with present day methods and needs.

It consists simply in setting up Agricultural Tribunals on the model of the *Tribunaux de Commerce*.

In spite of the criticisms that have been levelled at these bodies it should be recognized that those mainly concerned are very appreciative and express their satisfaction with this special form of Court.

Some special instruction in the legal aspect of these agricultural questions would make it easy for the agricultural experts to fill the office of assessor suitably (see the syllabus of the Higher Institutes of Agriculture for the fourth year of instruction).

The formation of the body of experts required is also desirable for drawing up inventories, dealing with the difficulties arising in the course of a lease, making out the valuations on the outgoing of a tenant (*prises*) in regions where such are the custom, preparing the formulae for lease on a sliding rent scale, etc.

§ 5. THE LEASE WITH A SLIDING SCALE OF RENT.

Stress has already been laid on the advantages of *long term leases* and on *normal rents*. The two parties are, however, on account of various economic circumstances, disinclined to enter into an agreement for any lengthy period.

Thus :—

(a) The owner says to himself: "there may be a period of rise in the prices of farm products"; he is anxious to make the best use of this possibility for his own advantage;

(b) the tenant takes the opposite view of the situation;

(c) At the present time both owners and tenants have a greater inducement than ever before to accept the view that the variations in the value of the franc are to be considered as well as the normal variations in the value of agricultural products arising out of their abundance or scarcity.

Rents are traditionally calculated and expressed in francs. Up to 1914, the franc was taken as the gold franc, a stable standard since it was in the form of a note convertible at sight into coin. At the present time the franc is understood as the paper franc, which is entirely unstable and this instability of the franc introduces into the position of the two parties a factor involving very serious confusion and a perpetually recurring uncertainty.

A lease with a rent expressed in francs in 1925, for example 150 francs per hectare, and for 18 years is here assumed.

What the franc will represent in 5 years or in 10 years, no one can say. If the depreciation in the franc continues, the 150 francs agreed in 1925 will represent perhaps only a half, a third, a quarter of what they now represent, and on this assumption it is the owner who will suffer; he will get the same number of monetary units but as each unit will have lost a part of its value, his rent will be diminished in the same proportion.

If the franc recovers ground and either returns to its pre-war value or merely comes within measurable distance of it, it is the tenant who will be the victim of this improvement in the national currency. His rent, though nominally unchanged, will on the contrary be found to be in reality very much higher, perhaps doubled, and for him the consequences are serious, as he will sell his produce for a smaller number of francs because they are re-established francs, while

the rent will not undergo a corresponding reduction and in this way the ruin of the tenant may come about.

It is natural that, with such prospects in view, owners and tenants object to binding themselves for long periods. But this means the almost disastrous abolition of long term leases, in spite of the advantages which they offer as regards good cultivation and use of the land, which should tend to the general adoption of this type of lease, and it also means the general adoption of short term leases with all the inconveniences already detailed.

* * *

The lease on a sliding scale of rent may remedy this situation. For the payment fixed by tradition is substituted a variable payment either wholly or partially. This raises one of the most troublesome and delicate questions in rural economics.

The most difficult problem is to find an equitable and practical formula for fixing rents.

The Principles of the Sliding Scale Lease. — As a basis for this enquiry, the following axioms of rural economics must be remembered : —

1. That the land, which is an item of limited and stable value, possesses certain economic characteristics ; it increases in value continuously though imperceptibly (since 1840 by 90 per cent.); that its holders are for that reason content with an interest which is less than that on personal property ; that the income thus obtained cannot exactly follow the rise in agricultural prices nor the rising curve of other sources of income especially those which the working capital of the tenant should produce, a capital exposed to a number of risks.

2. That if any relation exists between the gross returns of a farm and the return from the land, in other words the rent, this relation is extremely variable, according as the cultivation is extensive and draws on a very small working capital, or intensive, requiring heavy outlay ; in proportion as agriculture becomes intensive the return from the land in relation to the gross returns increases absolutely, but diminishes relatively.

In produce-sharing, the return from the land is about 50 per cent. of the gross returns (highly extensive system).

Rented Property: Farm of Condroz (200 hectares).

Cultivation	Years	Working capital per ha	Area	Total gross returns	Net rent	Percentage of the land return (rent) on the gross returns
		francs	hectares	francs		%
Extensive	1882	550	200	68,050	100	35
Intensive	1910	1000	200	200,000	200	20
Intensive	1921	2500	200	500,000	280	11

As an illustration it may be remarked that the gross returns of French agriculture amounted in 1890 to 2,700 millions of francs, and the returns from the landed estates to 1,100 million francs, the income thus representing 40 per cent. of the gross returns.

In 1913 the gross returns amounted to 12 milliards, the net return from the lands to 2 milliards, the share apportioned to the landowner falls to 17 per cent. of the gross return. This is also the average figure for Belgium in 1914.

The measure of the intensity of the cultivation is often and rightly the amount of the working capital employed. This capital has increased more quickly than the capital represented by land, whereas in 1880 it did not amount to more than one-quarter of the landed capital, at the present time it represents 55 to 70 per cent.

Bearing this in mind, the following other principles should be noted on which the system of rents on a sliding scale should be based:

3. That the lease on a sliding scale of rent does not obviate the fundamental necessity for fixing a figure as the basis of the charge per hectare. That is the fixed part of the rent to which is added an extra variable payment acting as a regulating index.

The fixed part of the rent must itself be the reflection of the general economic situation, not distorted by overestimates by either party to the contract, this fixed part may be regarded as being the expression of the average profit capacity at the present time of the land in question, if placed in the lands of an average worker.

Hence as a first principle, a rate of rent dependent on actual and relevant facts, reflecting the economic agricultural situation in its entirety and not as the result of ill-considered inflation.

4. This initial rent being fixed with regard to an equitable apportionment of interests, the next point is to add the variable return, that is to say, to pool the total super profits or losses made by

the tenant in the course of his lease. In order to decide whether there has actually really been a loss or a profit, it is desirable to compare the net cost of each of the farm products with its selling price. To take as basis the selling price only is clearly to run the risk of being deceived by a false estimate of the profits or losses of the cultivator.

It is therefore advisable to place against the selling prices the factors in production: labour, purchase of fertilizers and of feeding stuffs, price of stock, etc., factors which always retain a special importance, often more so than the selling price itself for the establishment of profits and losses.

5. The last principle relates to the kind of farm products that should be taken as bases, according to the proportion of which the pool must be worked. It is often better not to rely, as was done in the first experiments carried out under this system, on one or two of the marketable products, wheat or beetroot, for example, but on all the work undertaken by the farm for profit, which may besides vary with the economic conditions.

This is exactly the point at which the problem arises, the more difficult to solve as the agriculturist, like every Belgian, does not easily suffer any interference in the enterprise he directs.

Undoubtedly the ideal to be pursued is that in a degree suitable to their respective contributions, the three social classes that have assisted in the work of production should share in the output; and that owners, tenants and agricultural labourers alike should be protected against violent oscillations which are always prejudicial to the general interests of agriculture. This problem however, which is particularly interesting on the social side, seems to bristle with practical difficulties.

Application. — Experiments have been tried and different formulae appear in the letting agreements. Most of them however only take into account a part of the problem to be solved. They often embody important improvements in the situation, but there is a certain danger in the drafting of contracts on a sliding scale by inexperienced persons without any knowledge of the science of Rural Economics. Such contracts are a mere agglomeration of archaic clauses and of ill-adapted innovations.

For purposes of reference the bases of certain agreements may be given here.

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Example I. — In the first place we find a sort of disguised payment in kind, based simply on the selling price of certain characteristic products. Let us suppose that the initial rent has been fixed at 150 francs the hectare. This money value is translated into a certain quantity of each of the chief products. For example, as follows:

These 150 francs rent per hectare represent in 1919-20 :	{	100 kg. of wheat at 50 fr. . . .	50 fr.
		5 kg. of butter at 10 fr. . . .	50 fr.
		10 kg. of meat (live-weight) at 5 fr.	50 fr.
			150 fr.

Each year the same quantity of products forms the base but the variations in their prices may modify the rent charge.

In 1920-21 :	{	100 kg. of wheat at 80 fr.	80 fr.
		5 kg. of butter at 12 fr.	60 fr.
		10 kg. of meat (live-weight) at 4 fr. . . .	40 fr.
			180 fr.

The disadvantages of this over-simplified method are that only the selling price of the products is taken into account in fixing the rent.

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Example II. — Lease on a sliding scale of rent following the price of wheat, but taking into account by implication the principles just laid down.

A. Extract from the lease of 22 April 1922 of the Farm of V . . . , a good part of Condroz :

“ Art. 3. — The present lease is agreed and accepted on an annual rent fixed as follows :

“ The parties, on account of the instability of the economic situation and the fluctuations in monetary values, adopt the system of lease on a rent calculated by taking wheat as the basic product.

" They adopt as point of departure the present average price of 60 francs per 100 kilogrammes of wheat, and agree : —

" (a) that for such and such time the annual rent shall be 190 francs the hectare ;

" (b) that every rise of 10 francs per 100 kg. of wheat above the price of 60 francs above indicated, shall involve a corresponding increase of rent of x francs (8 to 15 francs the hectare) ;

" (c) that every fall of 10 francs per 100 kg. of wheat below the 60 francs above indicated will entail a reduction of rent of x francs the hectare.

" The calculation will be on lines following the twofold scale thus

" *Scale of rise :*

" Price of Wheat per 100 kg. from 60 to 69 fr. equals 190 fr. per hect.									
"	"	"	"	"	"	70 to 79	"	205	" "
"	"	"	"	"	"	80 to 89	"	220	" "
"	"	"	"	"	"	90 to 99	"	235	" "

and so on upwards without limit.

" *Scale of fall :*

" Price of Wheat per 100 kg. from 50 to 59 fr. equals 175 fr. per hect.									
"	"	"	"	"	"	40 to 49	"	160	" "
"	"	"	"	"	"	30 to 39	"	145	" "
"	"	"	"	"	"	20 to 29	"	130	" "

and so on downwards without limit.

" The wheat taken as the basic product shall be the first quality of home grown wheat, the controlled price of which shall however be reduced by 0.50 francs per 100 kg. This official price shall be fixed by the average of three quotations of the L... Corn Exchange of the first Monday of September, the first Monday of December and the first Monday of March of each year and for the first time on these Mondays of September and December of 1922 and March 1923.

" In consequence the total of the annual rent cannot be finally fixed until 15 March of any year. In spite of this circumstance, it is agreed and accepted between the parties that the rent is to be paid on two dates, the first of November and the first of May of any year, beginning with 1 November 1922.

(about 13 francs the hectare), the sum of 291.20 francs is obtained or 3.6 sacks per hectare.

No account is taken of the charges of 1914 which were however added to the seven sacks of 1914, and the result is as follows :—

In 1914, the owner took about 25 per cent. or one-quarter of the gross yield of the farm in wheat ;

In 1923, the owner will take 13.50 per cent. or one eighth of the gross yield of the farm, in wheat (thus confirming the principles laid down above).

Further note :—

In 1914 100 kg. of wheat were worth 18 francs and the rent was 125 francs ;

In 1923 100 kg. of wheat were worth 83 francs, and the rent was 200 francs per hectare.

The differences in round figures are 65 and 165 francs respectively.

The price of wheat has gone up 350 per cent. and the rent 132 per cent. approximately.

The tenant realises in wheat four times the gross yield of pre-war years, the owner a little more than double his rent. Instead of getting 120 francs \times 4.5 or nearly 540 francs per hectare, he only gets 200 francs. He thus gives up 250 francs per hectare (or 200 per cent. of the 1914 rent) to the tenant to help him to cover the cost of working, which exceeds 400 per cent. of the pre-war cost, and to remunerate a working capital which is constantly increasing and exposed to great risk.

In so far as it provides a regulating index for the selling prices, this system, A and B, closely follows the principles already enunciated.

* * *

Two very grave objections have been brought against these simplified systems which take into account the selling prices of the products only.

A. The rent is raised automatically with the rise in the selling prices because it is supposed that the profit of the farmer increases automatically and in the same proportions. On the contrary this is far from being proved, and everything depends on the net cost. If the net cost has increased in a greater proportion than the selling

rise but the farmers have little to sell. Hence in the year when the tenant has a poor harvest he will pay the highest rent.

This is a telling argument, since the enhanced selling prices in a bad year are usually insufficient to make up for the loss resulting from the shortage of crops.

The argument is a strong one if a lease on a sliding scale of rent is assumed with a single product taken as the standard. It is much less significant if wheat is so adopted, as it is a cereal that represents actual coin, has a world price and reflects approximately the general economic situation and the real value of the Belgian franc. The argument is further weakened if more standard products are introduced, taking animal and vegetable products together, when the risks attaching to the idea of a bad year disappear and the tenant is to a certain extent insured, as the year is rarely bad for the whole series of products so taken.

To the first objection the reply is the following :—

A rebate of 10 to 30 per cent. may be allowed on the rent as based on the market price of the products, so as to take into account, for example, the rise on the cost price. The systems A and E of II above have implicitly adopted this form of reduction.

Example III. — The following combination, which takes into account the cost of production, may be admitted :

Special characteristic factors are chosen as follows :—

(a) products to be selected according to the region and the form of cultivation carried on ; fixed quantities to be taken in proportion to the importance of the types of market enterprise undertaken on the farm

1. Typical items in the expenditure, selected, both as to kind and amount, from among the expenses bulking most largely in the fixing of net cost, in the district under consideration ;

2. The application to these items of the prices ruling in each agricultural year.

Take, for example, the renewal of the lease of a farm let in 1908 for nine years at 150 francs per hectare. The parties are in agreement on this price (1) and decide to arrange for a lease on a sliding scale based on the following amounts and products calculated on the current prices :—

(1) It would have been more in accordance with the principles laid down to adopt a new basic price but the example is more telling if the initial rent is taken as that of 1914

In 1914, the characteristic factors selected, in kind and in weight, from the receipts were :

150 kg. of wheat.	at 20 fr. =	30 fr.
150 kg. of oats	at 20 fr. =	30 fr.
150 kg. of winter barley	at 20 fr. =	45 fr.
100 kg. of live stock.	at 1 fr. =	100 fr.
50 kg. of butter,	at 3 fr. =	150 fr.

Total . . . 355 fr.

These factors form the critical point of this type of agreement ; they must in a word represent the " economic picture " of the market enterprizes which are carried on. The products must be chosen according to the regions and the crops and the stock handled. The quantities too must correspond to the importance of these enterprizes.

The difference between this total of 355 francs and the rent of 150 francs as agreed between the parties is 205 francs.

It is then a question of fixing, both in kind and in amount, the typical items in the expenditure the total of which corresponds to this difference of 205 francs. These factors must be carefully selected and should represent a nucleus of payments for outgoings adequate for the different enterprizes : say, *e. g.*, in 1914 :

400 kg. of nitrate of soda . .	at 22 fr =	88 fr.
50 kg. of cattle for fattening	at 0.85 fr. =	42.50 fr.
100 kg. of oil-cake	at 20 fr. =	20 fr.
18 days' labour	at 3 fr. =	54 fr.

Total . . . 204.50 fr.

In 1919 the economic position is found to be completely changed. What then becomes of the rent per hectare as based on this agreement?

Let us first assume that the average prices for the financial year, calculated according to the market prices reported on the dates fixed, are :— Wheat, 50 francs (controlled price in 1919) ; oats 80 francs ;

winter barley 100 francs ; live stock, 3.50 fr. ; butter, 10 francs the kilogramme. The tables in comparison with 1914 will become :

150 kg. of wheat	at 50	fr. =	75 fr.
150 kg. of oats	at 80	fr. =	120 fr.
150 kg. of winter barley	at 100	fr. =	150 fr.
100 kg. of cattle on foot	at 3.50	fr. =	350 fr.
50 kg. of butter	at 10	fr. =	500 fr.
Total			

1,195 fr

2. In respect to the outgoings.

400 kg of nitrate of soda	at 120	fr. =	480 fr.
50 kg of store cattle	at 3.20	fr. =	160 fr.
100 kg of oil cake	at 100	fr. =	100 fr.
18 days' wages	at 15	fr. =	270 fr.

Total . . . 1,010 fr.

The rent per hectare, in 1919, will be 1,195 less 1,010 = 185 francs per hectare

This method constitutes a step in advance on the former method. It can be applied with comparative simplicity. Its value is conditional on the choice of the "typical factors", a choice which must be made with discretion, and must be in accord with the economic circumstances of the farm. More scientific methods may, undoubtedly, be tried, it must however not be forgotten that none of the parties will accept complicated arrangements that require an audit of the accounts of the farmer.

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Example IV. — Another system :—

Profit-sharing leases. A farm at Hessbaye, worked on industrial lines, of average fertility, comprising 69 hectares of main crops (1)

(1) The crops of other farm work carried on for profit taken as bases obviously must be modified according to the district and the customary farm operations; in Condroz, for example, with its stock farms the transaction connected with stock must form the bases

and 10 hectares of grass land and clovers ; system applied to the year 1921.

The following are, in their order, the calculations that have to be made.

1. Principal crops serving as base :

Wheat	18 ha.	} 63 hectares
Winter barley	18 ha.	
Oats	15 ha.	
Sugar beet	15 ha.	
Grass and forage crops (1)	10 hectares	

2. Basic price or fixed rent : 150 francs per hectare.

3. Multiple as agreed by contract, including : Once the fixed rent, first return to landlord. Twice the fixed rent, first return to tenant (2). Eight times the fixed rent, outlay on cereal cultivation(3). Eleven times the fixed rent, outlay on beetroot cultivation (4).

Making 11 for the cereals, and 14 for the beetroots.

D. Average yield per hectare.

E. Average official prices.

Wheat.	28 quintals	60 frs.
Oats	30 "	62 "
Winter Barley	32 "	60 "
Beetroot	26 tons	100 "

4. Calculation of excess profits.

(a) Wheat : 28 q. at 60 fr.	1,680 frs.
Outlay and remuneration of capital (11 × 150)	1,650 "
	— — —
Difference	30 frs.

(1) To these crops, which are minor crops in the case under consideration, the average results of the principal crops are applied. See the calculations below.

(2) A remuneration of the farming capital engaged at 15-18 per cent. might also be provided. In this case 2,500 × 18 per cent. equals 375 francs, a process which seems more logical 1. e., 4 per cent. income as administrator, 5 per cent. interest on capital lying idle, 9 per cent manufacturer's interest : total, 18 per cent

(3) The two last coefficients are subject to revision every three years. This revision is provided for in the agreement and entrusted to experts nominated at the time of signing it.

(4) Averages to be fixed at the time of the agreement.

(b) Oats 30 q. at 62 fr.	1,860 frs.
Outlay and remuneration of capital (11 × 150)	1,650 "

Difference . . . 210 frs.

(c) Winter barley 32 q. at 60 fr.	1,920 frs
Outlay and remuneration of capital (11 × 150)	1,650 "

Difference . . . 270 frs.

(d) Sugar beet 26 q. at 100 fr.	2,600 frs.
Outlay and remuneration of capital (14 × 150)	2,100 "

Difference . . . 500 frs.

5 Sums admitting of apportionment per hectare.

Wheat	30 frs.
Oats	210 "
Winter Barley	270 "
Sugar beet	500 "

1,010 frs.

6 Apportionment One-third to the owner on 4 hectares

$$= \frac{1,010}{3} = 336 \text{ francs}$$
 On the hectare $\frac{336}{4} \text{ francs} = 84 \text{ francs}$
 Rent $150 + 84 = 234 \text{ francs per hectare}$

This rent applies in the case quoted to the subsidiary work carried on for profit. It is of importance not to overstate the yields of the base products, the excess of the yield over that specified in the contract goes to the tenant, who has thus an inducement to produce up to the maximum. This is also an advantage to the landlord, in that he sees his lands properly manured; on this point again the interests of the two parties are closely bound together.

This last system assigns to the owner and to the tenant a first remuneration for their respective capitals (representing their "interest coupon"); and further divides the super profit between the two parties (their "dividend coupon", so to speak), while ensuring

to the tenant the entire results of a production above the average, a production which he only obtains by maintaining and improving the degree of fertility of the soil, to the advantage of the two parties.

This system may appear complicated, and it may be supposed that book-keeping will be necessary. This is not the case. It is enough to ascertain three essential facts: the average yields of the various farm products of the region, in other words, the normal value in the hands of an average tenant farmer of the soil factor in production, the price of these products as shown in the official price-lists for a period to be fixed, and finally as exactly as possible, the cost of production. Agricultural experts worthy of the name will be able to lay down these figures without any great difficulty.

In these circumstances the owner has no reason to intervene in the tenant's affairs, and there is no fear of any mutual want of confidence.

It is however evident that if the clauses of these leases on a sliding rent scale were to become too complicated in application, they would fall through of themselves. It is especially to the interest of the tenant and the owner that the terms of the tenancy should be revised every three years in respect of the multiple adopted. Whereas in the example quoted above for cereals the multiple was 9, it may be 7 in the following year, so far as this goes the super profit will be increased, but, as it may be expected that the selling price of the farm products will fall at the same time, all the factors of the problem are seen to hang together.

Thus in the example given, the pre-war rent was 150 francs per hectare, and its value in 1919 was fixed at 265 francs, as admitted by the tenant for the year in question.

One point must be insisted on: the bases of the leases drawn up for a particular region cannot be applied to all farming regions equally. It might be suggested to the State agricultural experts, who are already engaged on the question of leases and are in particular drawing up very interesting "model leases" for each region, that they should extend their enquiries so as to determine the "cultivation characteristics" as well as the economic bases for each agricultural district.

On the other hand, the factors in the cost of production may be extracted from the accounts which are now becoming an indispensable adjunct to farming.

If the simple method is preferred, it is as follows, and proves a fertile source of bitter disappointment and disputes for both parties:

Convert the rent on 1914 into sacks of wheat say 160 francs per hectare or 8 sacks at that date and for the present date keep those eight sacks ; expressed in francs they represent —

For 1922, a rent of 8×60 francs equals 480 francs per hectare ,

For 1923 a rent of 8×80 francs equals 640 francs per hectare.

This is a departure from the principles on which it has been seen that the lease on a sliding rent scale is based and the results arrived at from this over-simplified agreement display the full importance of these principles

*
* *

Example V — The *Société des Agriculteurs* of France has signed a lease on a sliding rent scale with its tenant at Loges, in the devastated regions

The following is the scheme of the agreement —

The lease is drawn for 27 years, that is for a period of unusual length so as to make it possible for the tenant to carry out the work of reconstruction and for the same reason the rent for the first years is much reduced. Beginning from the ninth year, it is understood that the normal farming is begun. This will be the occasion for the fixing of the rate of the rent for the years from the ninth to the twelfth and this will be done on the report of experts

For this purpose each party will appoint an expert, the two thus appointed will choose a third. All three will be equipped with full powers, and will fix the rent to apply to Loges for the three following years, taking as the basis the usual rents in the region.

If at the end of these three years, neither the farmer nor the Society apply for the revision of the rate of the rent, this rate will remain the same as before for three more years. In the opposite case, a new enquiry will be instituted on the same lines as the preceding.

This system of fixing the rent every three years will be carried on up to the end of the term of the lease.

Under this system owners and lessees are alike guaranteed against excessive fluctuation of prices, and the tenant can carry out the improvements that he considers likely to increase the yield of the land, without fear of being unable to benefit from them.

This use of experts is criticized in certain quarters, but where the

farmers are organized in societies, associations or agricultural syndicates, it would surely be possible to arrange that every three years report shall be made to the Office or to the President of the *Société des Agriculteurs*, noting in broad outline that there has been an increase or a reduction in rents throughout the country, whether 10, 20 or 30 per cent., as from such and such a date.

This advance or reduction might then be applied to the rent of the Loges estate, without divulging the initial rent which is the subject of agreement between owner and tenant, and is necessarily somewhat high owing to the special conditions.

* * *

Clearly it is always possible to discover objections and difficulties. The whole scheme is not so simple as a fixed rent, but how can a fixed rent be equitable with the variations in the market rates, in the cost of living, in the interest on money, etc. ? At the present time if a lease was drawn up some years ago, it injures the interests of the owner ; if made now it is likely to injure the interests of the tenant in a few years ; or else in view of the uncertainty of prices leases are drawn only for short periods.

As regards the general interest, as well as the individual interests of the landowner and tenant, these short leases are unsatisfactory.

Every move in the direction of abolishing this type of lease, whether by legal means or by voluntary agreement, ought to receive full attention and application, the object being the attainment of a real increase in agricultural production in Belgium.

It is scarcely necessary to add that the writer is very far from wishing to put forward the kind of agreement here outlined as a panacea capable of bringing about, without any other factor, a lasting truce in the agricultural world. If this statement, which is of necessity incomplete, succeeds in drawing attention to these question of present day interest, it will have served its purpose, and the desired result will have been attained if, in view of existing economic instability and the importance of long term agreements, the subject of leases on a sliding rent scale is enquired into, discussed and followed up in every agricultural district.

The outcome of these enquiries made in the light of agricultural

science with that spirit of mutual accord which is deep-seated in the Belgian character would surely be that the different social classes responsible for the production of agricultural wealth will jointly bring to the work an effective and fruitful co-operation. These united efforts will enable agriculture to make a more important contribution to the improvement of the national finances, to secure the confidence which is inspired by the intelligent and persevering work of the Belgian cultivator and his spirit of thrift, and to pursue in this way with an increasing measure of success the work in the restoration of the country which it has been called upon to perform.

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LAND REFORM IN MEXICO.

AN agrarian problem has for several centuries existed in Mexico for which it has never been possible to find a practical and effective solution, since a number of circumstances have always conspired to prevent the institution of small holdings for the benefit of the poorer rural population. It was in connection with this problem, although on slightly different grounds, that most of the violent disturbances took place which have so cruelly distracted a country where every working agriculturist has an intense affection for the piece of land he cultivates whether he tills it for his own benefit or for that of another person.

Such were the circumstances in which the Law of 6 January 1915 was enacted under the Constitutional Revolution and with the authority of Señor Venustiano Carranza, and in 1917 at the Constituent Congress of Queretaro the present Constitution of the United States of Mexico was promulgated. The Law in all its sections and the Constitution in Art. 27 enacted that the lands which had been taken from the communes should be restored by act of restitution (*Acción de restitución*), and that communities requiring lands should be able to obtain them by act of endowment (*Acción de dotación*), even if they had never possessed land before.

All land, woodland and watercourses or springs which had been taken from the communes were accordingly to be restored.

Moreover communes possessing no land, woods or water, or not possessing them to an extent sufficient for the needs of their population have the right to receive an endowment of land which shall be taken from the properties existing in the area, small ownership being however always respected.

§ I. AGRARIAN OFFICIALS AND INSTITUTIONS.

For giving effect to the Agrarian Laws the following institutions have been set up:

Communal "Procuradurias" (or Agency Offices). — One for each unit of the Federation. These are composed of subordinate officials of the National Agrarian Commission, and are responsible for representing, assisting and safeguarding the communes in their administration of the lands received as a result of acts of restitution and endowment, and in the profitable use of waste lands

Special Administrative Committees — One for each commune which may have obtained lands. Membership is confined to inhabitants of the respective communes who also form the electorate, the Committees act in subordination to the National Agrarian Commission and are responsible for accepting and administering the lands conceded in the interests of all.

Special Executive Committees. — One for each commune which applies for lands. The Committees are composed of inhabitants of the commune in question on nomination by the Governor of the State or by the commune itself, subject to the approval of the Governor. They are directly subordinate to the Local Commissions and are responsible for conveying to the Special Administrative Committees the lands conceded

Delegacies of the National Agrarian Commission — One for each Federal unit. These delegacies are composed of engineers who are officials of the National Commission, and have the duty of representing that Commission in all business dealings relating to the subject; of seeing that the laws are duly carried into effect; as well as the engineering works required for delimitation of the native reserves; of giving information to the National Agrarian Commission, of acting as intermediary between that body and the Local Commissions, seeing that the transfers of lands are made, and that all procedure is completed within the time limit fixed, and to make observations on each case submitted by the Local Commission.

Local Agrarian Commissions. — One for each unit of the Federation. These Commissions are composed of five persons of standing who are not landowners; appointments are made with the approval of the President of the Republic by the Governors of the States. They act as advisory bodies to these officials, in subordination to the National Agrarian Commission. Their functions include: the preparation of cases for the Commission, and the collection of all the statistics and documents on the question; the hearing of all representations made; the consideration in detail

of these cases and reporting thereon to the Governor of the State concerned ; giving effect to the clause in the Decision of Governor which orders the Special Executive Committee to grant or not to grant provisional ownership of the lands, and finally to refer these cases to the National Agrarian Commission for revision, consideration and a definitive opinion.

A *National Agrarian Commission*, with headquarters in the Capital of the Republic This Commission is composed of nine persons of good standing who are not landowners and are appointed by the President of the Republic. It forms the advisory body of this First Magistrate, in all that concerns agriculture The Chairmanship of the Commission devolves *ex officio* upon the Secretary of Agriculture and Development and its functions include : hearing the cases forwarded by the Local Commissions , revision and consideration of cases and the submission of a report to the Executive Authority of the Union, which will then give a definite decision ; hearing of the pleas made by the communes and landowners ; the announcement of the decisions of the Executive Authority so that the Local Commission may grant definitive ownership of the lands ; regulation of the use of the lands ; giving effect to or arranging that effect be given to all legislation on the question ; and participation in all agrarian policy on the lines of this and any subsequent legislation. The office of Secretary to the National Agrarian Commission is filled in succession for the period of one month by each of the members in turn.

§ 2. THE RIGHT OF RESTITUTION AND ENDOWMENT.

A preferential right to the use and benefit of the water courses, etc., to the amount necessary to meet farm requirements, and the right to apply for and obtain restitution of their lands belongs to all groups of persons who duly prove that they come under one or other of the following categories : town communes, farm colonies, religious fraternities, nunneries or other communities, as well as to cities and towns with a diminished population or which have lost their sources of wealth, together with their character as industrial, trading or mining centres.

For the due execution of a process of *Restitución* it is essential that the group of applicants should give legal proof that they come under one of the cases specified in Article 27 of the Constitution or

the Law of 6 January 1915, that is to say, in general terms, they must show that they were in possession of the lands they now claim, and were deprived of them by illegal means.

The process of *Dotación* has been established in respect of all those smaller centres of population which, from the number of the inhabitants and from the fact of commercial or industrial development, require, first and foremost, a utilizable tract of land for the maintenance of their inhabitants. Accordingly the inhabitants have the right to apply for and obtain grants of lands, water and woods, and, further, a similar right belongs to any group of individuals who find it necessary for their own maintenance to cultivate lands lying close at hand and are living on farms deserted by the real owners. In general, as it is the spirit of the law that small hamlets are on no account to be left without the lands necessary for their maintenance, resort is had to *Dotación* in all cases in which it is not possible to claim *Restitución* for any particular kind of centre of population in want of land.

§ 3 PROCEDURE

The commune makes its application for *Restitución* or *Dotación* before the Governor, setting out, in the case of *Restitución*, the legal grounds for the application, or giving information enabling the agrarian authorities to obtain the documents required for such proof.

The Governor forwards the application to the Local Agrarian Commission of his own State for consideration.

Immediately on receipt of the application, the Local Commission considers the documents forwarded by the commune or those obtained by itself, orders an inspection of the lands for the purpose of identification and the preparation of a survey plan, makes an agricultural and general census of the commune, in collaboration with a representative of the commune and another member of the local Council, and gives notice to the actual holders of the lands for which application has been made, so that they may present their own statement.

After all the legal formalities have been carried out and the whole question examined in all its bearings, the Local Commission, within the space of four months, submits a proposal or recommendation to the Governor.

The Governor, in the light of this opinion, pronounces his decision, within the next following month, confirming, or otherwise, the proposal of the Local Commission.

If the Governor makes no decision within the fixed time limit of one month, the Delegate of the National Agrarian Commission in the State takes cognizance of the case and forwards it to the National Commission in order that it may pronounce its opinion and obtain the decision of the President of the Republic.

Should the Governor make his decision within the time fixed, he shall return the case papers to the Local Commission, together with his decision.

If this decision is in the affirmative, the Local Commission forwards the case to the Special Executive Committee, ordering that, within the space of a month, it shall hand over the lands in provisional ownership to the Special Administrative Committee.

Provisional possession being thus granted, the case papers are returned to the Local Commission, which forwards them to the National Commission through the Delegate.

In dealing with cities or towns, or if the decision of the Governor is in the negative, provisional ownership is not granted until the case is passed in due course to the National Commission so that it may give a final opinion, and may grant or otherwise the authority for giving possession.

In every case all documents and evidence submitted by the owners concerned are collected and considered, and once all the proper formalities with the National Agrarian Commission are complied with, that body will notify the owners that they have a space of thirty days in which to present any statements that they may consider it desirable to make. The National Agrarian Commission then gives its advice, approving, rectifying or modifying the decision of the Governor, and in view of the opinion pronounced earlier by the President of the Republic, the Commission makes a definitive settlement and signs the necessary statement which constitutes the communal title for the centre of population for whose benefit action has been taken. If this decision is in favour of granting the lands applied for, an order is issued to the Special Executive Committee, conferring definitive ownership on the Administrative Committee, and the proceedings terminate in this way.

The Local Agrarian Committee, when granting definitive own-

ership, communicates the fact to the appropriate Office of Taxes in order that that body may reduce the contributions due from the owners affected.

While the papers are still in transit, whether in the Local Commissions or in the National Commission, the parties concerned have the right so see the documents so that they may prepare their defence.

§ 4. EXTENSION OF THE NATIVE RESERVES ("EJIDOS") (1)

In cases of *Restitución*, the lands which are restored to the communes must be precisely those which were formerly taken from them, with the boundaries, extent and other conditions as before; in the event however of these lands not being sufficient for the requirements of the inhabitants, a *dotación* grant may be made in respect of the area which is still required.

In connection with *Dotación*, extension of the *ejidos* is always fixed on the basis of the number of individuals who have the right to receive lands and in relation to the nature and the extent of the holdings or estates affected, assigning to each one of these persons from three to five hectares of irrigated or naturally moist land, or four to six hectares of monsoon lands having the advantage of an annual abundant and regular rainfall, or from six to eight hectares in land of other categories of monsoon lands. In dry or waste land, the assignment for each individual benefited will be up to three times the number of the hectares mentioned.

In this connection, a calculation is made by the engineers as to the model allotment which should be made to each individual as sufficient for his needs, with extension if necessary, reckoning the minimum required for food, clothing and making a living in relation to the circumstances of his family.

§ 5. CASES TO WHICH THE PROCEDURE DOES NOT APPLY AND EXCEPTIONS.

Restitution cannot proceed when it is not proved that the commune possessed the lands applied for, and that possession was lost in accordance with the circumstances detailed, nor can it proceed

(1) Lands with water and mountain pasture for stock, granted by the conquerors of Mexico to every native settlement. If they have to use these lands for building houses, the name of *fundo legal* is given.

when it is a question of expropriating areas of less than 50 hectares which have been held by name and in full ownership for more than ten years.

Endowment (*Dotación*) cannot proceed, in cases of landed property extending over not more than 150 hectares of irrigated or wet lands ; or not more than 250 hectares in monsoon lands with an annual, abundant and regular rainfall, and not more than 500 in monsoon lands of other categories, and waste lands , if however in the immediate neighbourhood of the commune which is making application there are only estates of the dimensions here indicated, these minimum limits are to be reduced by a half.

Similar exceptions are made for estates which by their nature represent a single agricultural undertaking ; those included in the land settlement agreements made by the Federal Government ; buildings of any nature ; gardens and plantations of fruit trees which were in existence before the Agrarian Regulation, plantations of coffee, cocoa, vanilla, oil, rubber and the like, barrage and canalization works for the irrigation of lands not in the native reserve.

When a *Dotación* has to be made involving the expropriation of several estates, each estate is dealt with according to its size, taking account also of the nature of the soil.

§ 6. WATERS

When the water required by a commune comes under federal jurisdiction, the procedure consists simply in addressing the application directly to the National Agrarian Commission, for investigation and report. If the waters are within the jurisdiction of the States, the application is made to the appropriate Local Commission in order that it may submit its opinion to the Governor, who shall make a provisional decision, and then refer the matter to the National Agrarian Commission who shall approve or modify his decision.

§ 7. OWNERSHIP.

There are two categories of ownership : the provisional which follows on the decision of the Governor, and the definitive which is granted in accordance with the decision of the President of the Republic.

Provisional ownership may be modified or annulled by a decision of the National Agrarian Commission and the decision of the Executive of the Union. Definitive ownership cannot be reconsidered, even by the President of the Republic himself; the Federal Judicial Authority is the only body capable of introducing any modification.

Whenever provisional or definitive ownership is granted, the owners of the landed property affected are given all the time required for the harvesting and removal of the ungathered crops which belong to them. In connection with lands bearing agave plants grown for the purpose of making the national alcoholic beverage known as *pulque*, a year is allowed for clearing the land.

Generally speaking, all the crops and produce of the expropriated lands are respected and considered to be the legitimate and exclusive property of whoever sowed or cultivated them.

The Special Administrative Committees and inhabitants of communes which have been provided with lands and water supplies may not on any account carry out any operation likely to interfere with existing arrangements, as for example the destruction of hedges, houses or landmarks, etc., and in regard to mountain lands they may not exploit them or cut wood on them, except that they may use the dead wood required for their domestic needs. In general they have no right to carry out any work of a permanent character, so long as they have no definitive ownership, once that is obtained, they have free enjoyment of the woods within the limits laid down by the Law and by the orders of the Secretary of Agriculture and Development.

Lands, water and mountain land granted to the communes by the Agrarian Law are only municipal, in so far as the ownership is communal and belongs to the inhabitants within the limits of the law. The ownership and administration therefore is in their hands without any possibility of interference by the municipal councils or any other authority, but in no case and on no grounds may the communes sell or alienate the lands, waters or woods which they hold or which come to them in process of time nor may private persons or other communes acquire them on any grounds whatever.

Once definitive possession is given, no further representations from any point of view are admissible from the owners of the lands affected, such as would tend to modify or in any way to weaken

the Presidential decision, which must be carried out in its fullest sense.

The contributions due from the communes are paid through the Special Administrative Committees in accordance with the law applicable to each case.

The lands are assigned for cultivation among the inhabitants of either sex included in the Agrarian Census, but on the other hand waters and woods must be utilized only as some form of property in common.

§ 8. THE RIGHTS AND DUTIES OF THE OWNERS OF THE LANDS.

The duties and rights of persons occupying the lands are as follows: —

To receive notification so that they may present documentary evidence and state their case before the Local Commissions and the National Agrarian Commission; to require that all their documents be attached to the case papers; to have power to consult the papers and to take certified copies of any documents, the reproduction of which is not forbidden; to reserve to themselves an area of 50 hectares in every case of *Dotación* and a similar area extent in the case of *Restitución*, provided that they have held such area in their own names and in full ownership for more than ten years; to appeal to the Courts within the period of a year if they consider that the definitive decision of the President of the Republic is prejudicial to their interests; to make further appeal to the Federal Judicial body; to pay taxes only on the part of which they have retained the ownership; and to claim compensation for the lands which have been expropriated in *Dotación* or in *Restitución* if the procedure was not carried out in accordance with the provisions of the law for these cases.

§ 9. FORMS OF CENSUS.

The General Census is the list of all the inhabitants of a centre of population. The Agrarian Census is the census of the inhabitants who have any grounds for claiming the advantages in connection with agriculture that are granted by the law.

In the Agrarian Census are included only those inhabitants of a rural area who have no resources, or whose means are insufficient

for their maintenance; who live near to the commune making application; who are cultivators; who depend on their own labour and who are really capable of doing agricultural work. It may include also unmarried women and widows with dependent families.

There are definitely excluded from the Agrarian Census: the professional classes; persons possessing lands with an area equal to or larger than they would be likely to receive through the Agrarian Law, persons with capital of any kind to the value of more than one thousand pesos; federal, local or municipal officials and persons in private employ whose remuneration exceeds 75 pesos per mensem.

§ 10. AGRICULTURAL CO-OPERATION AND SPECIAL ADMINISTRATIVE COMMITTEES.

The Special Administrative Committees are empowered to issue regulations for the improvement of the cultivation of the native reserve lands (*terrenos ejidiales*), and for suitable division of the different types of agricultural work; it shall not however be possible to assign more than one parcel to a single individual recipient. They take steps to ensure the best possible utilization of the lands and so that they may be of the utmost advantage to the community, in accordance with the instructions which they receive from the National Agrarian Commission and the Department of Agriculture.

The Committees may also accept any proposals made by the inhabitants which are designed to bring about improvements in the communal lands. No decision is taken by the Committee in these cases or in any cases of general interest unless the majority of the inhabitants signify that they are in agreement.

On the granting of provisional or definitive possession, the Special Administrative Committee concerned makes a record of the areas under cultivation at the time or which can be brought under cultivation at short notice and of the pastures, waste or forest areas, assigning them to their respective uses. A piece of land not larger than five hectares is set apart from the cultivable land for each boys' or girls' school in the locality, such area to be employed for the agricultural instruction to be arranged by the co-operative society founded for the purpose.

The products obtained by communal working of the land, are distributed as follows: 85 per cent. among the cultivators according as they themselves may decide, 10 per cent. for the funds of the co-operative society, from which the farm implements, work animals and breeding stock are purchased, and 5 per cent. for charges, improvements or municipal dues

For the better utilization of the communal lands, the National Agrarian Commission has set up and continues to set up through its Department for Utilization of Communal Lands, co-operative societies which are companies formed by the rural inhabitants of the communes, in which all members are organized for work in common for the purposes of production without any help from capitalistic institutions, that is to say, apart from the action of employers of labour. These co-operative societies are supported by the Federal Government, which assists them in every way in the accomplishment of their objects. The Department for Utilization of Communal Lands and the National Agrarian Commission give instructions to the rural population with a view to ensuring better crops, arrange for the supply of agricultural requisites at cost price payable by instalments, and distribute selected seeds. Some co-operative societies have been able to procure cash loans

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LAND RECLAMATION AND LAND IMPROVEMENT IN THE NETHERLANDS.

THE wide range of the land reclamation operations in Holland during the last 25 years will cause many persons who are not well acquainted with the history and character of the Netherlands to believe that such reclamation is a somewhat recent development of the national existence and of national investments

Nothing is however further from the truth. The new generation understand by land reclamation all that goes to bring the heathlands and dunes of Holland under cultivation, but in actual fact all the land now in use for agriculture and forestry has been brought into being by reclamation, and as long as there have been inhabitants of the Netherlands this process has been going on.

There is no need to say that this work has of course been carried out over the passage of centuries with varying degrees of intensity and over different areas. In periods of prosperity when huge sums were being gained in trade and shipping, constant effort was used to invest this money directly in land reclamation and at that time particularly in the draining of marshes, this was characteristic of the "Golden Century" of the Netherlands (1625 to 1725). Later in the second half of the 18th century when trade and shipping began to wane, there was so little opportunity of investing capital in profitable commercial ventures that at this period also important clearing operations including draining of the "polders" were carried out, special attention being at the time directed to land improvement work.

A similar phenomenon has been observed in recent years in connection with the development of the heathlands. From the beginning of this century onwards, there has been an annual increase in the area of the reclaimed lands. Most of the large scale works were suspended on the coming of the Great War, but when hopes began to be entertained and realized that peace would be maintained in Hol-

land, work was resumed with even more energy than before. During the War much money was made and extensive schemes were undertaken. Then came the reaction, the cost of living went up and life became difficult for a large section of the population. A great quantity of land reclamation was however accomplished, this time not with a view to the investment of large capital, but because it seemed disadvantageous to leave money in foreign investments, while there was little confidence felt in the banks, and above all because it was essential to find suitable occupation for the unemployed. Hence it came about that large sums were devoted to land development works.

A future generation will note with surprise that much extensive forest and fertile land belonging to communes, provinces or private persons, owe their existence not to a period of prosperity but on the contrary to the difficult epoch that followed the Great War. And if the draining of the Zuyder Zee, an enterprise unique in the world's history, has at last been undertaken, it is as the outcome of the same unfavourable circumstances.

This is not a new phenomenon although this time the period of its manifestation has been only a short quarter of a century. One of the earliest forms of reclamation was the draining of the polders by means of pumping by windmills. During the reign of Charles V the method was known and between 1540 and 1565 nearly 37,000 hectares were drained. When the war with Spain broke out much of the work was interrupted and in the following quarter of a century only 8,000 hectares were drained. Then came the period of prosperity. In spite of the war, trade and navigation flourished, wealth flowed in, and between 1590 and 1715, the years when the decline of Holland began to be noticeable, nearly 150,000 hectares of fertile land were won from the sea by pumping, an average of more than 100 hectares per year. Land obtained by dyke construction is not here considered.

The years of crisis and loss of empire that followed provided an exact parallel to what is actually happening at the present time. The figure representing land clearing operations falls considerably but is still large, seeing that from the year 1715 as mentioned above to the foundation of the Kingdom of Holland one hundred years later, 55,000 hectares of marshland were drained, an area by no means negligible. To this figure should be added the lands obtained by dyking or cleared in some other way.

It will be seen from the above that land reclamation and improvement in Holland are by no means in direct proportion to the prosperity of the country, for the reason that land reclamation is not necessarily the result of prosperity but very often a means for securing it.

It may be stated that the whole of Holland is the outcome of reclamation operations with the exception of land which is even at the present day waste land. If the conditions prevailing in the Netherlands in very early times are examined, it will at once be seen that the country was not much more than an undulating sandy area with a slope from southeast to the northwest, bordered by peaty land covered with forest, intersected by numerous water courses and very marshy, much broken into and nearly all covered at high tide. The sandy area was seldom more than 80 metres in altitude and covered with heather and scrub. Here and there were found wide peat bogs of the high moor type.

The scattered population was engaged in hunting or fishing, and had no thought of clearing the land, as the forests and streams provided all they actually required. They did not moreover possess the necessary technical skill, and on the other hand their nomad character did not encourage them to deal with the land in such a way as to secure any lasting profit.

Later, about A. D. 100, many of the tribes came under the influence of the Roman civilization and thus came to lead a more settled and better regulated form of life. They no longer wandered among the marshy forests and over the heaths, but sought out fertile districts where they could practice agriculture by the side of streams.

Among the tribes whose agriculture was on a fairly considerable scale, the Batavians may be mentioned. These people settled on the fertile plains of alluvial clay and built their farmsteads on the highest points of these plains. The foundations which have been discovered show that these farms were of considerable extent. These early agriculturists were obliged to make clearings, since it was impossible for them to raise their stock and to sow their wheat without having first constructed dykes, drained, dug over and tilled the land.

When in the fourth century the Roman Empire fell and the Romans had to abandon the Germanic lands, about 400 A. D., the civilization which was in process of development in the Netherlands came suddenly to an end. It was as though the sun which had just

ventured to rise above the horizon once more sank, leaving darkness in its train. History has no account to give of any reclamation of land in the years that followed. On the contrary, the restricted area that had been worked was neglected and partly inundated. The inhabitants of the farmed lands returned to their hunting and fishing existence. This was the period of the migration of the peoples.

Thus not for the only time in history was the development and greatness of a civilization followed by its decay, a phenomenon which has recurred over and over again in the history of the world

Little by little Christianity penetrated into the wild countries of the North and when history, which for more than a century has nothing to tell, once again gives some picture of the state of the Low Countries they are inhabited by three tribes, the Franks had come from the South and the Saxons from the East, while the Frisians had succeeded in maintaining their ground in their own regions, which had been already in their possession during the Roman domination.

The Franks were now to have a great influence on the land clearing and civilization of the Low Countries. Their kings were converted to Christianity and made every effort to spread the faith eastwards and northwards.

Where Christianity penetrated the monks and the priests established themselves. They built their chapels in the wilder districts so as to preach the new faith to their disciples and where for centuries the ancient sacred trees had been witnesses of pagan rites there now rose the simple house of God.

For those who served and taught the faith dwellings were also built, and round these houses the land had to be cleared to provide food for their inhabitants and so that they might give an example of peaceful activity and a well-ordered existence to the half savage population around them.

It is impossible to dwell here on the dangers to which the monks were exposed in their first attempts to maintain their colonies. They lived in a state of preparation for attack knowing full well that the unarmed man has no rights. But in several districts, and particularly in Frisia, they began to carry on stock-breeding and agriculture. Round the rich clay lands they constructed a fencing of dykes so as to ensure their ownership of these lands. They had

the firm support of the Frankish kings who were for the most part converted to the Christian faith and were prepared, if necessary, to use force in the propagation of its doctrines.

The number of monasteries increased, the epoch of the migration of the peoples was over. Lands that had been cleared by the monks became common property or passed into the hands of private owners, and thus their development was greatly encouraged.

In 768, Charlemagne became King of the Franks. At that time the Franks, the Saxons and the Frisians were engaged in stock-breeding and agriculture. The Emperor was well aware that the pursuit of these occupations tended to maintain order and tranquillity in his Empire, and not only gave advice as to the keeping of land under proper cultivation but also undertook the clearing of waste lands. He shewed the way to the improvement of every branch of agriculture then practised and the way in which his numerous farms and country estates were kept up served as an example to the surrounding population.

He also checked, by a series of excellent measures, the undue felling of forests.

The Emperor also protected trade and navigation by every possible means. The result was that for eleven centuries peace and order have reigned in the Netherlands, agriculture and stock-breeding have flourished and hence much land has had to be cleared to provide for the needs of the constantly increasing agricultural work.

After the death of Charlemagne in 814 his great Empire rapidly broke up. His son and successor on the throne, Louis the Pious, was imprudent enough to become involved in the disputes between the Kings of Denmark and the Kings of Norway, and twenty years after the death of Charlemagne, the Normans entered Utrecht and Wyk-by-Duurstede. This first expedition was followed by others and some of the invaders even settled in Holland. Their cruelty and custom of burning and pillaging made them greatly feared in the country districts, and as a natural result agriculture declined in the two following centuries. The rural population became impoverished and no steps were taken to extend the farms.

Thus for the second time, the work of reclamation was interrupted for many years. Even after the last of the Normans had left Holland, little progress was made in agriculture, at any rate in many regions.

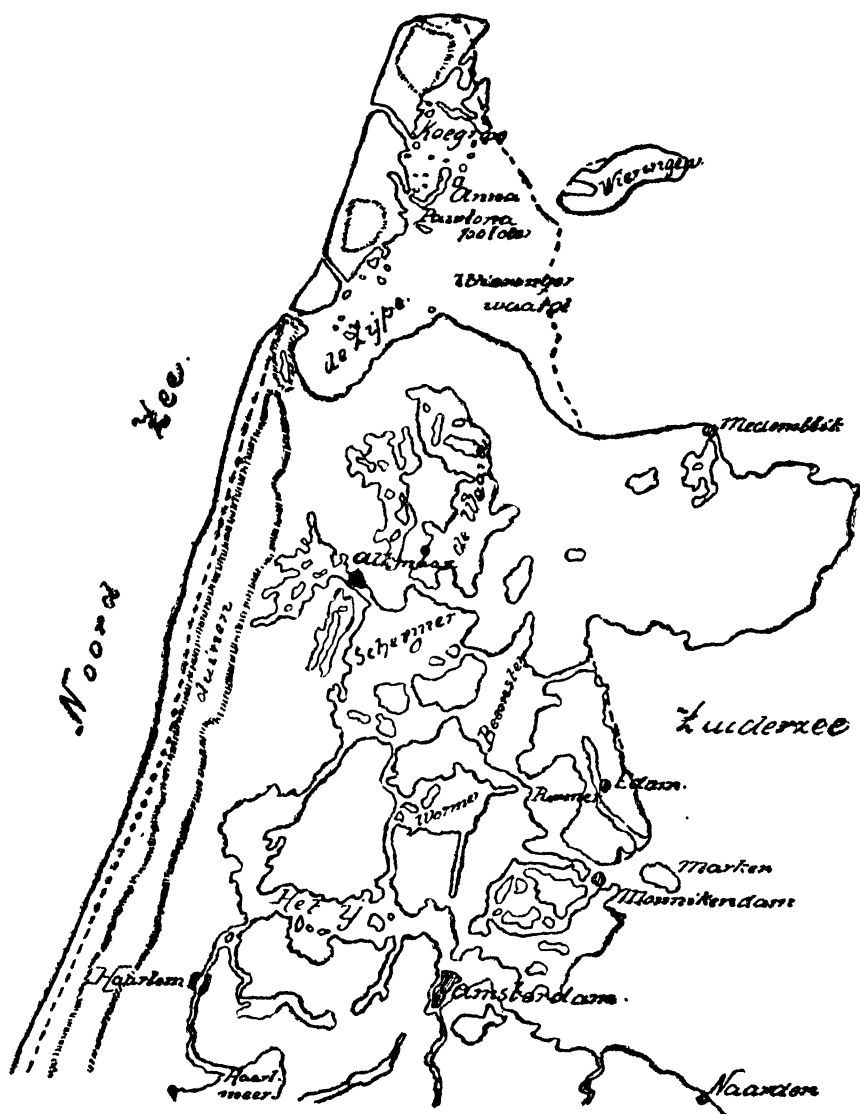
The wars and the quarrels in which the nobles and the towns used to engage among themselves delayed the return of the earlier flourishing conditions. As always happens agriculture suffered most severely from the uncertainties and disturbances of the time. The men were forced to go the wars in the cause of their lords, the farms of the enemy were burnt, the cattle and the stores were seized and the sown lands and meadows became waste.

Landed property which was gradually developed during the reign of the Frankish kings brought prosperity to different parts of the Netherlands. The numerous monasteries of Friesland, for example, owned very extensive and fertile lands and the monks further extended their property by constructing dykes round the land gained from the sea. In the eleventh century large areas on the Frisian coasts had been dyked, and in the provinces of Holland (West Frisian region) and Zeeland fertile land had also thus been obtained.

It is usual to find the most dense population on the most fertile land. On such land too the need for extending the area owned is more marked and more attention is given to improvement work sincethere is greater promise of results.

It is therefore no matter for surprise that, especially in the North and West of the country, reclamation was carried on with great energy. The dyking method was followed, especially in Friesland and Zeeland, as at that time the method of pumping the peat lands had not been discovered. On the one hand land was gained by dyking, and on the other it was lost. For some time past the attention of the surrounding population had been attracted by the fen boglands which covered large areas in the provinces of Utrecht and Holland and were capable of yielding supplies of fuel, which for that epoch seemed inexhaustible.

In an age when coal was unknown, wood and peat had to serve as the only fuel, and already there was a shortage of wood suitable for burning. Peat was easy to transport by water and was accordingly supplied to the numerous towns with their large populations. While the sea was continually washing away the land in different places and destroying the dykes and the seawalls, the peat bogs were being encroached upon by human agency. Shallow pools were thus formed, the banks of which were being constantly worn away by the water.



Province of North Holland

formed in large part by the draining of "polders" and by dyking.

The map represents the position in the Middle Ages.

The present coast is indicated by a dotted line.

The map of the Netherlands shows more frequent changes than that of any other country.

A number of laws enacted in the course of the 13th and 14th centuries show that the danger to the country from the extraction of peat was very well understood. In certain parts it was strictly forbidden, in others the condition was made that beech-trees should be planted where peat had been extracted. This condition may have had a certain value but as a matter of fact good land was not always obtained in this way. In 1408 a change came about from the introduction of the use of wind mill pumps to raise the water from the bogs and thus carry it off.

Windmills had been previously employed for lowering the level of the water in the ditches in the meadows and fields. A great step forward in the work of reclamation was however now taken. Up to this time the only method of gaining land had been the construction of dykes; attention was now directed to the fact that the marshes or "polders" could be drained by the use of *pumping apparatus* in the form of mills.

The development of this use of mills was very slow, and the practice was not general till towards the middle of the 16th century. Since that date, reclamation has gone on progressively up to the present day, and there has been a constant improvement in technical method.

The peasants did not as a rule take the initiative in the draining of the marshes, but more generally rich citizens, who were anxious to utilize the capital they had gained in trade and could find no better form of investment, as they thus became owners of large fertile plains which they could sell or lease later on.

Large sums made by the shareholders of the Dutch East Indian Company in the "Golden Century", which roughly corresponds to the 17th, were put into these undertakings.

When the 80 years' war broke out, many important schemes started in the reign of Charles V were suspended, but very shortly afterwards the Dutch people took up the work again. Towards the middle of the 19th century steam pumping machinery came into use and efforts were made to drain marshes larger and deeper than had ever been treated previously.

The following figures of the area of lands drained and dyked between the years 1540 and 1865 are taken from the work of Dr. H. Blink, entitled "History of the Peasantry and of Agriculture in the

Netherlands". The figures are grouped to correspond to periods of 25 years.

	Hectares		Hectares
1540-1565	36,957	1715-1740	10,671
1565-1590	8,046	1740-1765	10,109
1590-1615	36,313	1765-1790	17,924
1615-1640	44,574	1790-1815	15,852
1640-1665	29,090	1815-1840	17,109
1665-1690	12,380	1840-1865	39,219
1690-1715	12,535		

There are several hundred drainage schemes, of very different dimensions. The draining of the Zuyder Zee, begun in 1924, will add to that number another four "polders", measuring 22,000, 32,000, 108,000 and 50,000 hectares respectively.

The largest polders are .

	Hectares
Zyne (1597)	6,479
Heer Hugo Waard (1625)	3,337
Beemster (1607-1612)	7,174
Purmer (1617-1622)	2,680
Schermer (1631-1635)	4,828
IJpolders (1865)	4,823
Haarlemmermeer (1839-1852)	18,522
Nieuwkoop (1797-1809)	2,525
Noordplas (1759-1765)	3,463
Zuydplas (1825-1839)	4,000
Prins Alexanderpolder (1874)	2,825

The enumeration in chronological order of the different forms of land reclamation in Holland has made a certain anticipation of the subject inevitable.

The clearing of the high moor bog lands has not yet been mentioned.

It has been stated above that peat cutting had been for a long time a source of revenue. Everywhere peat was in demand and water transport made a brisk trade possible. Hence it was the fenny bog lands of the populous districts, such as the provinces of Holland and West Friesland, that were first exploited. The high moor bog lands, on the other hand, as a result of their great extent

and remote situation, were not exploited, at least not during mediæval times, except to meet the needs of the population living in the immediate neighbourhood.

After the shallow peat of the low fenlands had been extracted, pools and marshes remained which caused considerable anxiety since the banks kept subsiding and breaking away. It has already been stated that these pools were usually drained. But on the high moors at that time very little in the way of clearing was done, and the sand on which the peat rested remained intact.

Up to the end of the 18th century, the sole object was the extraction of the peat, and as a rule nothing was done in regard to the soil remaining behind, or the floor of the bog.

As however more peat was extracted and more land was left, it began to be realized that it was possible to make use of these lands, which though not very fertile were still in good condition, all the more favourable from the fact that they had been intersected by the ditches and canals that had been used for drainage and for the transport of peat.

It thus came about that in the peat regions of the Northern provinces of the Netherlands, side by side with the "peat colonies" inhabited by the labourers who cut the peat, there were also agricultural settlements for the working of these lands, populous and prosperous villages, consisting of farms and workers' dwellings situated along the canals that were in use for the carriage of the peat.

The exploitation of the bog floors dates from about the year 1600; the first steps were directed towards getting these lands into order for agriculture more especially in the province of Groningen where it was possible to make use of the town refuse for this purpose.

A brief summary will now be given of the method of drainage most generally followed at the present time.

The floor of the bogs, or the soil from which the peat has been removed is formed of a diluvial deposit, *viz.*, the sand on which the peat rests covered with fragments of hard soil, the upper layer of the peat of which no use can be made, which is taken off in large pieces so as to reach the peat properly so-called

This earthy covering of the peat is of great importance for the later working of the land, of which the agricultural value depends to a large extent on the earthy layer that rests on the sand. It should be at least 50 cm. deep and preferably even deeper. Sometimes the

earthy layer is without value in the improvement process, *i. e.*, when it consists of long formed mossy peat (black peat) ; on the other hand the more recent mossy formation (grey peat) is of the greatest value for the farming work. The legislation of the provinces of Groningen and Drenthe enacts that after the extraction of the peat from the high moors, an earthy layer of at least 50 cm. must be left. It is easy to see that this ordinance had a definite purpose, having regard to the great value of the earthy layer for the preparation of peat litter, which arose later. Fortunately the opposition which this measure encountered was overcome, as the enactment was of great value in connection with the working of the peat lands.

This working consists in the drainage and very careful treatment of the diluvial soil. Where heather or acid vegetation occurs, the soil is tilled and dug over to make it level, while peat and brushwood are collected and removed. Sometimes the whole plot is tilled after firing the heather.

The earthy layer is then spread regularly over the sand and forms a bed at least 50 cm. deep. This operation is called levelling.

The ground is next covered with a layer of sand, nearly 8 cm. deep. Usually there is enough sand available from the main canal and the tributary canals which have been dug at an earlier stage to facilitate the drainage of the moor and the transport of the peat. The sand is spread carefully and the ground thus obtained is cultivated to the depth of about 12 cm. and a very light blend of sand and of the earthy layer is thus produced. To complete the process the ground is harrowed.

Since the time when the farming of the peat bottoms became as important as the extraction of the peat, care is taken when making the system of canals that they shall meet the future needs of the agriculture to be carried on later on these lands, and it is also borne in mind that some small tradesmen will make their living by commerce and industry in the prosperous agricultural settlement. It is clear that the digging of a main canal with numerous affluents will be of great use for the transport of the peat. For the later settlement such a system will interfere seriously with land transport and with the permanent settlement of cultivators and townspeople. These difficulties can be remedied by building numerous bridges, but this tends to make the construction and upkeep of roads very costly.

These drawbacks can be avoided by digging short canals into

each of which three smaller channels flow, or by making a single canal parallel to the main canal.

The land obtained by this treatment of the floor of the bog land is poor in fertilizing substances and cannot be cultivated without some addition of fertilizer. It is in particular necessary to add lime (3,000 to 4,000 kg. to the hectare), an operation which requires great care.

Since 1911, a disease called "the oat disease of the peat colonies" has appeared. The leaves of the oats became abnormally pale, there was a softening of the stalks and the plants stopped growing. Research proved that this disease was due to the influence of alkalis on the organic substances in the ground, harmful humous materials being thus formed. The alkaline fertilizers which had been in use for years had to be given up and the excessive use of lime and also of basic slag and sodium nitrate avoided.

Stable manure and compost which had been replaced for some time past by chemical fertilizer came into use again and a new layer, so to speak, of vegetable soil was thus formed. Quite frequently 6,000 to 7,000 kg. of compost were applied per hectare

In addition kainit, potash salts and basic slag were used, the latter being replaced when necessary (see above) by superphosphate. As a nitrogenous fertilizer sodium nitrate was used. This soil has been found very suitable for the cultivation of potatoes. Excellent crops are obtained by using a manure composed of 1,000 kg. of slag, 1,500 kg. of kainit, and 800 kg. of sodium nitrate, and potatoes are grown very readily two years after the ground has been prepared, with the result that a very extensive potato flour industry has been developed.

Apart from potatoes the chief crops are oats, wheat, clover and beans.

The above relates to the reclamation of the high moor bog land. The low fen after extraction of the peat resembles meadow-land, that is to say, meadow land and marshy land. The crops are of little importance and the grass is not of the best quality.

In parts where the extraction of the peat would result in the formation of pools and where it is for that reason forbidden, or regarded as inadvisable, attempts are made to improve the soil. It is then used as meadow land.

The improvement of the soil is effected by the use of kainit, potash salts and basic slag. The content in lime and nitrogen is

sufficient, and though lime is sometimes added, nitrogen never is. After manuring grass of a more valuable sort develops, and the dry grass or bents disappear, the hay improves and the pasturage becomes better. In this way a higher return is obtained from the land.

Naturally an effective system of drainage is also necessary. It is desirable to employ under-drainage to avoid the damage done by cattle to ditches and because there are always a large number of weeds. Many examples shew that by this form of improvement of the meadow land an increase in the hay crop amounting to 2,000 to 8,000 kg. per hectare may be obtained.

Another method of improvement of these lands consists in breaking up. This method must be also accompanied by an effective system of drainage and by the use of a manure containing potash and phosphorus. As there is no need to apply the expensive nitrogenous fertiliser, this method of improvement is not unprofitable.

Thus for one or two years oats or potatoes are grown and after that time grass and clover are again sown.

A third method of improving this meadow land is that of covering the ground with a layer of about 5 cm. of sand and sometimes the ground is subsequently broken up. The soil thus becomes heavier and more compact and meadow land can more easily be formed. If instead of sand the soil of the hillocks which served as the dwelling places or refuges of the former inhabitants in the first centuries of our era is utilized, the fertility is considerably increased. It must be remembered however that a very large quantity is required, approximately 10,000 kg. per hectare, and that the cost of transport is very high.

As a rule the first part of the process of improvement is to use the peat bogs thus covered with sand as arable land and each year a layer of peat is ploughed into the sand. The Germans, who use a similar method, cover their lands with sand, without however working it in.

To effect a permanent transformation of the low fen into arable land, a much thicker layer of sand must be applied.

There is little to be said on the subject of the farming of the heathlands and the dunes before the beginning of the 19th century. The Government took no part in it and persons who wished to invest capital in land reclamation considered that they could make more money by embanking and draining "polders" in the populous dis-

tricts, than in farming the heathlands and the dunes. Moreover the greater part of the lands were common property and at that time the knowledge of methods of cultivation and of manuring was not sufficiently advanced for it to be possible to undertake the working of the heathlands with the risks involved. Chemical fertilizers were still unknown as well as the value of lupin-growing.

Manure had to be collected in the towns and transported in boats, and hence it was impossible to reach heathlands lying at a certain level, as there were few practicable roads and railways did not yet exist. There was no inducement to clear the heaths to plant forests, nor to transform them into meadowland and land suitable for agriculture. Exploitation of these lands and afforestation by State, province or commune was not contemplated.

The peasant of the dunes extended his farm as well as he could, if the need arose, but in any case very slowly. The farming was far from satisfactory, and very often the land gained once more became waste land after some years interval. Occasionally waste lands were cleared by private persons and made into forest or garden. This was sometimes done by the wealthy inhabitants of the towns of the province of Holland who wished to make themselves pleasure places outside the towns among the sandy lands and dunes. These clearings were carried out mainly in the 17th and 18th centuries in the neighbourhood of Haarlem and the Hague, and the traces that remain testify to a large expenditure.

One of the best known of these pleasure places was Zorgvliet (Cares Forgot) near the Hague founded in 1640 by the poet Jacob Catz, Grand Pensioner of Holland. Catz and his brother had bought a good deal of land at the beginning of the 17th century in the Flanders, which had been under water for some years. By dyking and draining these lands they obtained high returns on the capital invested, which they were in a position to utilize for the purchase of less fertile lands in the neighbourhood of their birth-place for making plantations and gardens.

In this way many estates were formed both in the central districts and also in the East where much later in 1853, Starin van den Wildenborgh among others, began to clear the waste lands. But at the close of the 18th century, very little had been done to clear the heathlands and sandy lands, though the discussions of the time shows that it was receiving consideration.

For example the Agricultural Society (*Maatschappij van Land-*

boww) invited discussion on the following question: "For what reasons is there so much land in the Republic left barren and uncultivated?". A reply appeared in 1880 in the form of a special article by the Court barrister.

In 1792 M. Thys, Canon at Tongerlo, published a pamphlet entitled "Memorandum or Statement regarding the Distribution and Reclamation of the Waste and Uncultivated Land on the Estate of Bois le Duc". This was a reply to the question raised by the "Friends of the Métayer". In 1773 the Batavian Scientific Society (*Bataafsche Maatschappij van Wetenschappen*) invited discussion of the question whether the binding of the dunes could not be brought about otherwise than by the plantation of sand-loving plants so as at the same time to ensure cultivation.

M. Catz and others who had worked these lands gave the benefit of their advice and experience in the cultivation of their own lands.

At the end of the 18th century steps were also taken in certain districts of Friesland, particularly the wooded parts known as "the Forests", to root out the brushwood with a view to preparing the ground for the use of the constantly increasing population.

In short, at the beginning of the 19th century, there was no longer complete ignorance and lack of interest in the question of the development of waste land, but the troublous times through which Europe, including the Netherlands, was then passing made it impossible to pursue the work with the necessary energy. The Government showed no sign of being prepared to take part in development work. The limited resources of the State did not allow reclamation on a large scale, and it was also generally held that landed property and land development did not come within the sphere of the State, but were the business of private persons. In 1843, the Government decided to sell the State lands on the Veluwe and thus 2,500 hectares of land belonging to the State passed into communal property.

An exception was made by the authorities in favour of *the plantation of forests on the dunes*. The fact that the sand was constantly moving eastwards, thus threatening to cover the good land, together with the importance of the dunes as a natural embankment against the encroachment of the sea, and the great difficulties, high cost and poor result of the plantations with bents, etc., all pointed to the desirability of planting with trees. After the success of the preliminary work of Bremotier, who began in 1804 the plant-

ation of the dunes of the Landes of Southern France, the Dutch Government declared itself ready to make afforestation experiments along the coast of the province of Holland. This work was taken in hand on the Schoorland dunes between 1827 and 1835 by Gevers and Peeck and later on by other persons authorized by the Government, but with no result, and for many years the question of afforesting the dunes was not discussed, until in 1863 Dr. Staring again instituted trial plots for the Government at different points. Nurseries were established, young fir trees of two or three years growth were planted, without any soil attached, on the dunes which had first been bound by planting bents, the destruction of rabbits was carried out relentlessly, and Austrian and dwarf mountain pines (*Pinus Laricio austriaca* and *Pinus montana*) were imported, and in all these measures Staring showed that he was on the right road. Owing, however, to certain drawbacks, severe drought and a want of initiative on the part of private persons, the Government decided not to continue the experiment.

If this attitude is considered in the light of present day experience, it seems altogether deplorable, as from what is now known of afforestation of dunes, it is clear that Staring was working on the right lines.

In 1894 the Government once more took up the afforestation of the dunes, and this time the work has continued up to the present day. As a rule preference is given to a permanent binding of the dunes by means of planting with trees. In particular, *Pinus laricio* and its Austrian variety are used, as they both stand the sea wind well, while *Pinus maritima*, which is liable to frost damage, and *Pinus sylvestris*, which cannot stand the sea winds, are avoided.

While the Government took an active interest in the plantation of the dunes, it neglected the transformation of the heathlands, nor was there much interest shown by private persons in this branch of the work of clearing.

In 1809 a law was passed "stating conditions for the encouragement of the development of waste lands". By this law certain exemptions from taxes were secured to persons undertaking this work, and facilities were granted to private persons in respect to the reclamation of waste lands belonging to the State, provided that such clearing was carried out within a space of 15 years.

In the meanwhile, the rural population was rapidly increasing, and attempts were also being made, as for example by the Frederik-

soord Benevolent Society in 1818, to attract into the country the inhabitants of the over-populated towns. Methods of communication on the higher lands were improving, railways being introduced in 1860 and tramways in 1878, and hence the transport of chemical fertilizers at moderate rates became possible.

Through the discoveries of Hellriegel and Wilifahrt the the farmers learnt to utilize the atmospheric nitrogen by cultivating leguminous plants including lupins (1885); instruction in agriculture and forestry improved, the School of Farm Economy being opened at Groningen in 1842, the State Agricultural School at Wageningen in 1876 the G. A. van Swieten School of Agriculture at Frederiksoor in 1889, and the School of Forestry of the same foundation in 1887. The State establishment of Chairs of Agriculture dates from 1890.

The time was becoming ripe for undertaking the transformation of the waste lands into forest, arable and meadow land.

Attention was given to the subject and was not now diverted to questions of drainage or embankments, nor by the very serious political troubles of the time. The population was increasing and more work and more land were essential; and still one quarter of the Netherlands was merely heathland and sands.

The important forward movement in the improvement of the heathland and the sandy lands, which has been more marked than any other branch of agriculture and forestry, owes its impulse to the Law on Communal Lands (*Marken*) which was passed in 1886.

Communal ownership was often a hindrance to the improvement of heathland. Owners who wished to undertake clearing could not usually obtain the majority necessary; nor could they detach their share of the property. For many years past the more farseeing among them opposed this state of affairs, which as a general rule was an obstacle to improvement except where forest lands were concerned. For their preservation this type of ownership was on the whole favourable.

By the Law on Communal Lands of 1886, it was enacted that landowner every might demand the division of the Communal Lands.

At the same time these did not form a very important proportion of the waste lands. Their area was reckoned at 36,000 hectares, or one-twentieth of the total area of the waste lands of the present time, the forests being included in this figure.

In 1895, 15,000 hectares had already been shared out, and the inhabitants while perfectly willing to divide the land, shewed little

capacity for clearing work. Those who were not interested in the preservation of the Communal Lands would in many a cases have welcomed the division, as making it possible for them to realize their own share, while leaving the exploitation work to others. The method of carrying out the division was not always favourable to development, the shape of many of the plots being unsuitable. The law of 1886 had made no provision for this contingency, and it was 40 years before the Law on Reparcelling by Exchange brought about the desired solution in 1924.

It is undoubtedly the case that no considerable direct results as regards reclamation of waste lands have followed the adoption of the Law on Communal Lands though it is otherwise with the indirect results.

It was in consequence of this law that the Agricultural Society of the Gelderland Provinces began to give consideration to the possibility of transformation of the Communal Lands which it was supposed would pass into the hands of private owners. Accordingly it was decided to form the Dutch Company for Forestry and Heathland Clearing (*Nederlandsche Heidemaatschappij*) on similar lines to the one founded in Denmark in 1865 and another later in Schleswig-Holstein, the object being the exploitation of waste lands on a large scale.

This Company has had a great influence, both direct and indirect, on the progress of exploitation. It has a competent staff, and is prepared to undertake the management of improvement works at owners' cost. The heaths are in the first instance transformed into forest land, later into arable and meadow land. The work carried out by this Company has served as an example for others, and it has always been ready to give every kind of support to persons undertaking land development. It also frequently provides assistance in the form of articles and lectures. An expert staff was trained under the Company which, in a word, encouraged land development and increased the inducements for undertaking it.

Thus towards the end of the 19th century, two facts emerge clearly, the increasing importance of the *Heidemaatschappij* and the great development of the work of exploitation.

The need for competent men and also for legal regulation in the sphere of agriculture and forestry began to be evident. The Government more and more identified itself with the interests of persons undertaking land development and carried out development work on

its own account in 1898. The work now became of the first interest alike to State and people.

With the 20th century a new period of reclamation is begun, a period of no less energy and enterprize than that displayed at the time of the draining of the polders in the Golden Century, and during the period of the development of the peat fen colonies.

One of the first indications of the State interest in land development was to be found in Art 34 of the Law of 1870 on the Land Tax in which 30 years exemption from increase was granted if waste lands were cleared. In 1873 there was a revision of taxable resources, which brought to an end the inequality in the valuation of lands of the same class in different parts of the country. The Law of 1892 ordered the application of this revision.

An exemption of eight years is thereby granted in the case of exploitation of heathlands, and if application is made within a stated time 28 years exemption may be obtained. Farms situated on the heaths or on privileged land are exempt for six years, if the application is made within three months after entering into possession, and and afterwards for 18 years.

In 1898 a Law for the Regulation of State Forests was passed. These forests were of no great extent and in the appointment of managers more consideration had been given to their administrative qualities than to their knowledge of forestry. The first step was to appoint the Manager of the *Nederlandsche Heidemaatschappij* as temporary inspector of the State Forests. Provision having thus been made for the technical management, the State was in a position to begin exploitation and afforestation of the waste lands. In the first instance attention was given to the binding of the sands by plantation, both on the dunes (*schoorl*) and in the centre of the country (*kootwyk*). Shortly afterwards the State placed this work under the direction of permanent officials who had received a technical training.

At the present time, the Government is one of the largest land exploiters in the country.

In 1907, there was a considerable extension of reclamation work under State management, due to the fact that loans were made without interest, and that expert assistance was given to communes which were prepared to plant forests on their lands.

From time immemorial many communes were already in possession of vast barren lands which had in former times served for

the common use. In 1843 the communes of the Veluwe purchased 25,000 hectares from the State at a very low rate, as at that time the Government did not contemplate land clearing or exploitation.

In 1912, the communes owned nearly 140,000 hectares of lands, of which 90,000 were still uncultivated and 50,000 cultivated. Of the latter, 16,000 were planted with trees. The greater part of the waste lands belonging to communes were in the Veluwe, in the provinces of Overryssel, Utrecht, Northern Brabant and Limbourg.

Speaking generally, the communal lands were in these two last provinces and thus in the south of the country, and covered an area of about 10,000 hectares.

Out of the total waste lands belonging to the Netherlands 15 % belonged to the communes and although a very little was cleared, the municipalities used frequently to sell land and employ the proceeds for other purposes.

As time went on, the value of the lands increased, and there was a gradual but growing recognition of the importance of forest property for the communes. In order to overcome the difficulties due to want of funds and inexperience, the State intervened and decided that every commune in possession of lands suitable for afforestation should be eligible for loans without interest to a maximum of 120 florins per hectare, on condition that this advance was not to exceed 80 per cent. of the total cost of the clearing, repayment to be made within the next 50 years. The State reserves the right of approving the schemes and supervising the operations.

In accordance with a Royal Decree of 1920 and as a consequence of the considerable rise in wages that had taken place, the amount of this loan was increased and was fixed at a maximum of 240 florins, while it was further decided that exceptional cases might be met.

This law has had excellent results and it is much to be regretted that the Government has been obliged on grounds of economy to suspend temporarily the issue of loans, that is to say, no grants will for the present be made to new communes.

In 1907 only one commune received the subsidy and 637 hectares of communal lands were afforested under State auspices. In 1913, the number of communes was 14 and 4,152 hectares were cleared. In 1920 the number of communes which had undertaken afforestation with assistance from the State was 28 and 8,649 hectares had been dealt with.

In the same year 1907 the Tithe Law was passed, which also had

good results for the development of waste lands. The heathlands had not, it is true, much tithe to pay, but the charge had always told against the development and the improvement of the farms on the sandy lands. With the passing of this law all obligation to pay tithes disappeared and there was no possibility of their re-institution. The State pays to the tithe-owner 20 times the annual return of the tithes for each parcel of land shown on the land register as liable to pay tithes.

The former tithe payer instead pays to the State interest on the tithe, that is to say, for 30 years, 5.55 per cent. of the total which the tithe-owner receives from the State; he may if he pleases pay off this interest in a single amount.

A large number of laws, decrees and orders became necessary for the regulation of agriculture in order that it might meet the crisis of the dislocation of all social life consequent on the War. Among these may be mentioned, as bearing on the question of the clearing of waste lands, the Emergency Law of 1915, which was a provisional modification of the Expropriation Law of 1851. This emergency law simplified the procedure for expropriation prescribed by the law of 1851, in respect of work to be assigned to the unemployed. In normal times this procedure lasts for three years and is thus unworkable for a scheme of cultivation of waste land by the unemployed. The law of 1915 declares that expropriation with this object is a work of public utility, and that the draft schemes and detailed maps required by the law of 1851 may be dispensed with. The pleas made by the parties concerned also receive little attention.

In 1918 the Law on Agricultural Labourers came into force. This law secures to agricultural labourers the ownership of lands with a dwelling house or of detached land on a rent payment. The War proved that it may be necessary to secure the provisioning of a nation within the borders of the country itself and that it is in the public interest not merely to clear all the waste lands but also to raise the largest possible crops on them. For this purpose it is essential that the 400,000 labourers inhabiting Holland should not migrate to the towns but should remain in the country districts and become owners of small farms and work them as far as possible in their own interest. As the settlement of the country side by the inhabitants of the towns has not had the desired results, the landworker should at least be attached to the land which is his natural home.

With the help of the State subsidy a labourer who satisfies

certain conditions prescribed by the law may become in these days the owner of a small farm.

The unemployment which followed on the War again drew the attention of the Government to the waste lands, which were such a ready means of supplying work for those who were land workers by profession. In connection with this the Minister of Agriculture, Commerce and Industry instituted in March 1919 a Commission "to advise on the question and to make recommendations as to the measures that should be taken to encourage land reclamation work".

The reports and recommendations of this Land Clearing Commission are very important and instructive by reason of the large number of facts, data and opinions that they contain.

In 1920 the Law of 1851 on Expropriation was once more examined to see how far it was suitable for the changed conditions. The Government introduced a bill intended to complete the Law of 1851 on Expropriation as regards expropriation with a view to public utility. This amending measure deals with expropriation with the object of increasing the profits from lands and works connected with them, such as the improvement of drainage and of the system of water courses.

In this case also the real purpose was to discover a short and effective way of providing work for the unemployed, which had now become a matter of urgency.

An amendment of the laws, and one very important for the reclamation of the low level lands, took place in 1923, this was the Law for the Amendment of the Law of 10 November 1900, which dealt among other questions with the formation, improvement and pumping of the "polders". The owners of lands at the lower levels are obliged to receive the water of lands at the higher, in so far as the natural flow of water is concerned. The owner of the lower lands has no right to object, but on the other hand the owner of the higher lands cannot undertake any work which might damage the lower lands.

It is obvious that this injunction may hinder both the reclamation of the higher as well as that of the lower lands. In the amendment mentioned these difficulties are taken into consideration.

The last regulation which is specially important for the reclamation of the waste lands of Holland is that contained in the Law on Reparcelling by Exchange, of 1924.

It was remarked in certain quarters in the Netherlands, that in certain parts of the country the position and distribution of the land, as is also the case in other countries, were such that they could not be conveniently exploited, very heavy expenses were entailed by the cultivation of numerous small plots of land, lying in different directions. Drainage and construction of main roads were practically impossible in regions where, over a limited area, hundreds of people claimed owners' rights. The lands were so divided up that their yield was far from satisfactory.

This type of land was to be found especially in the East and South of the Netherlands.

The Land Clearing Commission of the Committee on Agriculture drafted and presented to the Government in 1908 a bill for reparcelling by exchange. It was felt that in the public interest the subdivision of lands must be checked, but without legal regulation it was impossible to stop it. If a new parcelling was proposed the opposition of one or several owners might prevent a fairer division. Regulation by law would naturally remedy this state of things. The Government however was not in favour of the immediate passing of this measure.

Meantime many land owners continued with the help of the *Nederlandsche Heidemaatschappij* to try to find a better method of parcelling out their lands, and sometimes with success.

In 1915 for example a beginning was made of parcelling by exchange in the "Ballumermeden" on the island of Ameland.

The land in question was an area of about 200 hectares of fertile land divided into 4,000 lots belonging to 119 owners. The number of lots is at present 216. The land is well drained and intersected by good roads and the value per hectare which was previously about 600 florins now amounts to 2,000 florins.

When during the War the greater part of the food for the people had to be produced in the country itself, and as soon as the difficulty of this home production became evident, attention was directed to the clearing of waste lands, the breaking up of grass land so as to make arable land and particularly to the improvement of already cultivated land, and in consequence the utility of a better parcelling was again evident. The area of the sandy soils, which were the most suitable for parcelling by exchange, was very large, is as shown

by the following figures, areas of land which were awaiting a new and improved parcelling being indicated under provinces :—

	Hectares	
Friesland	46,000	
Groningen	18,000	
Drenthe.	100,000	
Overrijssel	123,000	particularly in the Twenthe district.
Gelderland	60,000	particularly in the di- strict of the Achter- hoek
Utrecht	4,000	
North Brabant	103,000	
Limburg	77,000	especially in the di- strict of South Lim- burg

Parcellings were carried out with considerable difficulty on the island of Ameland and in the "Dalfserhooislagen", and in consequence and as a result of the lectures and publications of the *Nederlandsche Heideemaatschappij*, the propaganda work done by the Dutch Committee of Agriculture, the Land Register and Surveying Company, and private persons of progressive ideas, the need for a law on parcelling by exchange became more and more clearly recognized in the different circles interested.

The Law on Reparcelling by Exchange came into force on 1 December 1924.

It seems advisable here to add certain information on the agrarian legislation of the last few years which may prove that the Government has not failed to give its support and to show its approval of the activity displayed by the population in the work of land development.

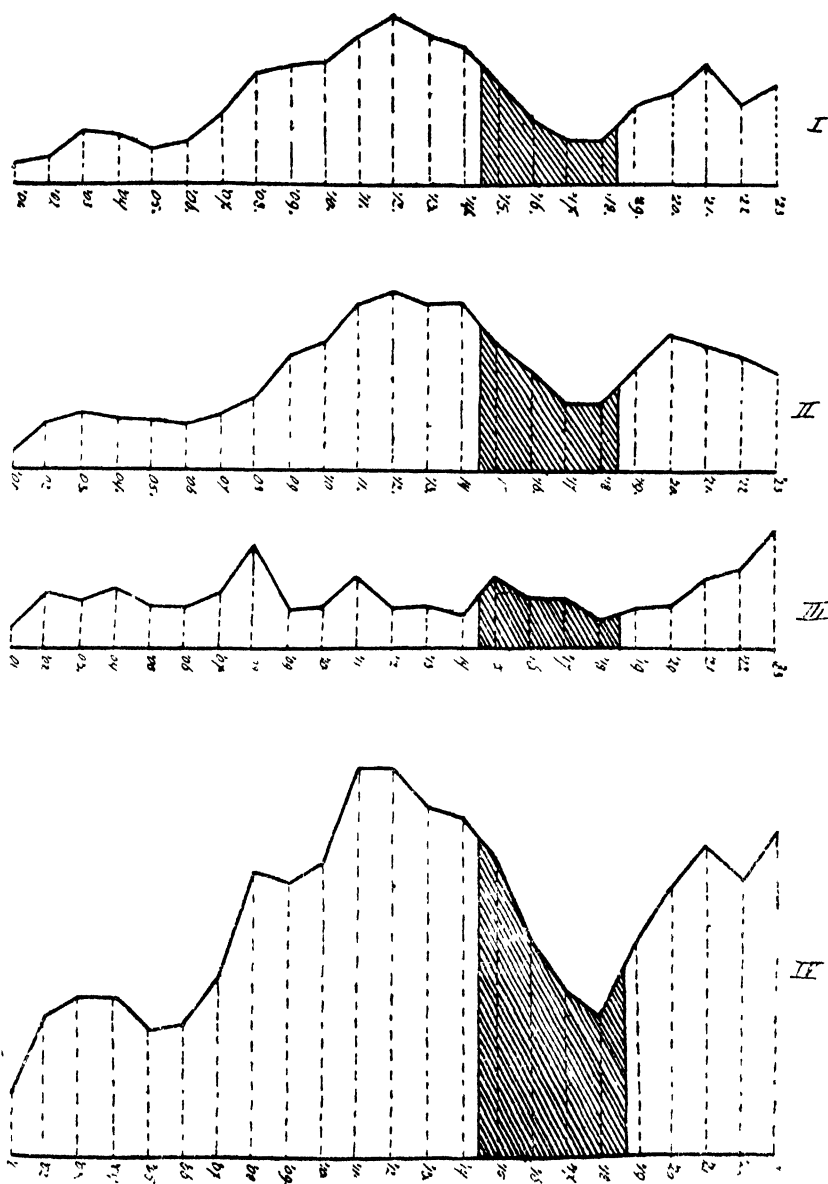
The following figures taken from the Agricultural Reports will give an idea of the waste lands which have been developed in Holland during the 20th century :

Years	Land transformed into meadowland	Land excluding the floor of the peat bogs transformed into arable land	Land transformed into forest	Total extent of cleared lands
	hectares	hectares	hectares	hectares
1901	440	431	540	1,411
1902	650	1,107	1,364	3,131
1903	1,227	1,300	1,153	3,680
1904	1,143	1,167	1,420	3,370
1905	800	1,101	1,039	2,940
1906	981	1,066	1,004	3,051
1907	1,563	1,222	1,310	4,095
1908	2,504	1,662	2,400	6,566
1909	2,700	2,615	901	6,216
1910	2,790	2,929	974	6,693
1911	3,373	3,823	1,616	8,812
1912	3,843	4,096	903	8,842
1913	3,308	3,807	1,006	8,121
1914	3,120	3,805	813	7,738
1915	2,270	2,917	1,698	6,885
1916	1,496	2,256	1,143	4,895
1917	1,124	1,529	1,152	3,805
1918	996	1,497	687	3,180
1919	1,815	2,180	922	4,917
1920	2,071	3,093	1,028	6,192
1921	2,716	2,810	1,596	7,122
1922	1,864	2,661	1,824	6,349
1923	2,319	2,362	2,855	7,536

These figures show that the transformation into arable land and meadowland increased steadily and fairly rapidly up to 1912, development then fell off somewhat for a time, and then went on more rapidly during the years of the World War. During the years of crisis that followed the War the area cleared became larger every year.

The afforestation which served as an investment for the State, and the communes, large landowners and manufacturers was not carried out in accordance with actual requirements as was the case with the meadowland and the arable land, but rather according to a general fixed plan.

The figures relating to afforestation are subject to marked fluctuation.



Graphic representation of the areas of heath and sandy lands reclaimed from 1901 to 1923.

Those which have been reclaimed during the War years are indicated by hatching

- I = Transformation into meadow lands
- II = " " arable land
- III = " " forests
- IV = Total lands reclaimed.

tuation, but no steady line of increase is noticeable till the time when afforestation began to be a general occupation for the unemployed in the communes and was carried on on behalf of the State. The State re-afforested in 1923 the half of the total land dealt with, *i. e.* 670 hectares on its own account and 806 hectares on behalf of the communes.

It is easy to see why the clearing for the purpose of making meadow and arable land progressed so rapidly. The factors combining to favour this rapid development are to be found in the improved means of transport, the increasing use of chemical fertilizers the credits arranged by the agricultural banks, the higher prices of produce, construction of roads, tramways and canals, the improvement of drainage, and the development of technical instruction

It must be added that the Forestry and Land Clearing Society of the Netherlands (*Nederlandsche Heidemaatschappij*), the State Administration of Forests and a number of societies, associations and private persons undertaking development on a large scale have had great influence. It will cause no surprise that in districts where every effort has been made in recent years to clear and improve reclaimed land, the workers themselves found the means calculated to ensure the best results.

At the present time, it is easier than it was 25 years ago to pronounce with confidence on the methods of carrying out the various operations, on the use of chemical fertilizers, and on the choice of crops. In addition implements have been improved and are of a more practical type. Forestry experts have planted a certain number of exotic forest species side by side with the indigenous trees, and have gained a clear idea of the conditions favourable to their growth and the treatment they require. Persons carrying out the reclamation of the waste lands are not only better instructed than before, but they have also learnt to find out and think for themselves; to observe with more accuracy and to avoid superficiality and an easy optimism.

Each year new methods are found and discussed in regard to forestry and for the development of meadowland and arable land.

Production in the Netherlands has not yet reached the limit of its capacity; 15 per cent. of the area of the country still consists



Map of the Netherlands

representing

- peat-bogs below water level (dotted)
- peat-bogs above water level (hatching)
- dunes and sandy waste (black)
- p = "polders" in clay lands (horizontal lines)
- The sandy lands are left blank

of heath and sand, and it would be impossible to estimate the area which has already been worked but can be still further improved.

Although from certain points of view the post-war crisis checked the work of reclamation, the energy displayed by those engaged in development work, and the activity of the nation as a whole are sufficient guarantees that the Netherlands will retain the place it has already won among the nations of the world.

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FARM COLONIES IN ITALY FOR THE ORPHANS OF PEASANTS KILLED IN THE WAR.

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THE problem of the care of orphans is one that in every age claims the attention of all communities where right feeling prevails and is a subject that has received much consideration from the framers of laws. When the War broke out, the appeal made became even more imperative and insistent, since it has always been recognized to be the sacred duty of the State to give succour to the orphans of the fallen. In particular as regards the orphans of peasants, the immediate humanitarian ground for such assistance is reinforced by another of high practical and social value. The vigorous forces of youth, left without guidance, and abandoned to their fate, would tend to desert the country districts and to swell the current of migration to the towns, which became even more marked after the War and a serious menace to national life. This tendency it is essential to check. On this account the assistance of the Government was carefully thought out while promptly given, the first regulations on the subject being issued in 1916, with the Lieutenantcy Decrees of 6 and 27 August, Nos. 968 and 1251. These were expanded and made more explicit in the special law of 18 July 1917, No. 1143, which enunciated the principle that the protection and assistance of war orphans should be a direct function of the State. The funds for the purpose are provided by budget allocations which amounted in the financial year 1917-18, to 1,000,000 liras, in the financial year 1919-20 to 6,629,790 liras, and in 1924-25 will reach the sum of 30,000,000 liras.

In addition to this official organization, which is administered by a National Committee, consisting of representatives of the Senate and of the Chamber of Deputies, the Ministries, etc., and by Provincial Committees, under the presidency of the prefects,

other organizations came into being through private voluntary effort. One of these, which owed its origin to the splendid enthusiasm of Luigi Luzzatti and to the untiring work of Mario Casalini has shown an activity and expansion far beyond all expectation. This was the organization known as the *Opera Nazionale per gli Orfani dei Contadini Morti in Guerra*, of which a short account may be given before describing the farm colonies which owe to it their first impulse and continued support.

I. THE OPERA NAZIONALE PER GLI ORFANI DEI CONTADINI MORTI IN GUERRA.

It may be said in the first place that in Italy orphans of the peasant class represent nearly 70 per cent. of the war orphans. The total number of 355,370 orphans, obtained as the result of the census taken with the utmost care by the National Committee, falls into the following group: —

children of peasants.	221,232
» » workmen and wage-earners	109,453
» » persons engaged in industry and trade . . .	12,127
» » employees and persons following a profession . .	9,428
» » officers	3,130

The census itself shows that the majority of the orphans are between the ages of 7 and 11, those between 11 and 18 coming next, though considerably less numerous. Hence in respect of the group with which this article deals, it is essential, as has been justly observed and as it is well to note for the better understanding of what follows, to increase the opportunities of technical vocational instruction in agriculture for orphans between the ages of 7 and 11, and at the same time to give full attention to the development of the various forms of assistance, which are intended to make higher vocational instruction available for those between 12 and 18.

The *Opera* itself was originally established at a meeting held at the end of December 1915, and attended by persons from every region of Italy and of all classes. This was the first occasion on which State assistance to war orphans was discussed. By the Lieutenantancy Decree of 6 August 1916, No. 1025, the organization was constituted as a corporate body, and by the Law of 18 July 1917 it was recognized as a national institution for giving assistance to war-orphans. The following are among its objects:

(a) to see that special help for the orphans of peasants is

forthcoming from special local Children's Homes (*patronati*) and similar institutions,

(b) the promotion and encouragement of the establishment of children's homes and farm colonies in the different regions of Italy, which shall receive the orphans and sons of peasants for whom a suitable vocational training cannot be provided while living with their family,

(c) to co-ordinate the action of the local *patronati*, the farm colonies and the other institutions with similar objects,

(d) to set up one or more bodies to be linked with the existing agricultural credit institutions, to enable the orphans to acquire small rural holdings which they will themselves cultivate as soon as they are of age.

Where there are in existence *patronati* or farm colonies legally constituted and recognized by the *Opera*, the assistance of children of peasants naturally devolves on these bodies; in their absence the *Opera* exercises special functions of this order through its representatives. Thus in general they are responsible for all forms of assistance intended to ameliorate the conditions of the orphans with special reference to permanent settlement on their attaining full age.

The law already mentioned lays especial stress on the assistance which takes the form of giving the orphans the chance of acquiring small holdings, whether in full ownership or in emphyteusis, farm stock, equipment and implements. Thus the scheme is many sided and inspired by a high ideal of social reconstruction, its object being to keep the orphans on the land and to train them to become skilled cultivators

Especially opportune and far-sighted is the provision that forms part of the terms of constitution of the *Opera* in accordance with which, on the accomplishment of its work for the children of peasants who fell in the war, it will continue to exercise the same functions of protection and assistance generally on behalf of the orphans of peasants.

In pursuance of these objects, the organization makes use of the funds from the father's estate, if any, the annual subscription of members making special contributions (such as co-operative and insurance societies) and of ordinary members, gifts made by persons who have received membership in recognition of signal services, contributions of honorary members, and any donations, bequests, donations and additional sources of revenue.

In order that the work of assistance may be conducted on similar lines in the different parts of the Kingdom, *patronati* were instituted for each province and also the farm colonies which will be briefly described later. The provincial *patronati* are organized on the same general principles as regards management as the Central body, though with a wide administrative independence, thus enabling them to adapt their activities to the needs and characteristics of each province and to carry out the work planned without delays. Nothing is omitted which is likely to promote the real welfare of the orphans, and in harmony with the principles of the *Opera Nazionale*, to which they are subordinated, their essential purpose is to foster attachment to the land and to help the boys to acquire skill in the occupation followed by their fathers. In this connection attention may be drawn to the scheme put forward by the *Opera* for the vocational instruction in agriculture of the orphans. This instruction is to be given by means of :

A. — Short practical courses of instruction, intended for expert training in grafting, pruning, silkworm rearing, milking, bee-keeping and poultry management

B — Apprenticeship centres on certain farms where the work is planned so as to give a training in gardening, stock breeding and farming in general.

C. — Farm colonies.

It is advised that the curriculum of the short courses should be drawn up by the local *Cattedra ambulante di agricoltura*.

Bursaries have recently been established for the instruction of young peasants in agricultural work on modern lines. Very effective support has been given to this scheme by the Ministry of National Economy, and authorization to take in orphans for vocational training has been accorded to various institutions under the control of the Ministry, such as the School of Agricultural Mechanics, the Zootechnical Experiment Institute, the Royal Agricultural Intermediate School of Rome and other bodies · the Albenga Fruit-growing Consortium, the Velletri Nursery of American Vines, etc.

As has been mentioned within a very short time a wide spread and cordial support was accorded to the *Opera*. At the general meeting of members on 11 February 1923 69 *patronati* were reported as in existence in 69 provinces and 34 farm colonies in charge of 1,800 orphans. In 1922 the total expenditure for the benefit of the orphans between sheltering homes (*patronati*) and farm colonies

amounted to 10,375,000 liras. The funds at the disposal of the *Patronati*, as a result of the work of the *Opera* increased from 1,000,000 liras in 1918 to 4,600,000 liras in 1922. The capital of the *Opera* rose from 10,000 liras to more than 2,000,000 liras. 607,000 liras are set aside for the farm colonies and 250,000 liras are shown in the budget for agricultural instruction to be given to orphans in the form of short courses.

In the following section some account will be given of the Government measures, including those of recent origin, which are designed to place the *Opera* in a position to carry out its beneficent ends. At present its activities are engaged in introducing the farm colonies in all the provinces of Italy and in so improving them as to ensure that full effect is given to their programme both on the agricultural and social sides.

It must be borne in mind that other organizations, in addition to that which forms the main subject of this article, are also engaged in different forms of work for the orphans of peasants. Among the fifteen existing special reference here may be made to: the *Opera Nazionale per l'Assistenza Civile e Religiosa*, which was constituted as a body corporate by Decree of 9 November 1916 and the object of which is to give assistance in particular to the orphans of artisans, of the lower middle class in town and country, and to the orphans of agriculturists living with relations; the *Fondazione nazionale industriale* which is well endowed and gives generous financial support to kindred schemes; the *Opera Nazionale per il Mezzogiorno d'Italia*, which devotes itself to the institution of shelters, work shops, farm colonies, schools, and seaside and mountain sanatoria.

2. OBJECTS AND ORGANIZATION OF THE FARM COLONIES.

Among the specific aims of the *Opera Nazionale per gli orfani dei contadini morti in guerra* the foundation of farm colonies has up to the present taken first place, the scheme being inspired by the idea of vindicating to the sons the dignity of the calling their fathers followed in life and of making good farmers of the young orphans. Hence the main share of attention is given to vocational agricultural education which is looked upon as one of the principal means not only of restoring prosperity to agriculture but also, and primarily, of inspiring those born in the country with affection for their native soil. The methods of instruction are essentially prac-

tical, the teaching being mainly given in the open air on a farm which has enough cultivable land for the pursuit of the usual farm operations. Such a farm should be complete in itself and suitable for the purpose, both as regards the style of farmhouse and out-buildings, and in respect of the general arrangements for the daily life and work of the inmates, thus providing the opportunity of following out all forms of field work common to all farms. In other words the object is to train a peasant who will be "equipped not with scientific theory but with wide practical experience and with a sufficient knowledge to enable him to work with a full consciousness and a deep sense of the importance of what he is doing". Each colony presents the most suitable forms of cultivation, although, as will be seen, they are not all modelled on a single type. On some there are special opportunities for the practice of the small industries, on others particular attention is given to training in forms of skilled labour. The orphans are allotted to the various operations according to their age and abilities; the younger boys are generally engaged on work in the poultry yard, or with the pigs, rabbits or bees; the older lads work in the fields, the stables, etc. As a rule boys are admitted after having passed through the elementary school and leave at the age of 18, by which time they have become capable agriculturists and are able to find employment at once. On leaving the colony, they take with them a post office savings bank book made out in their name, in which are entered either the wages due to them for any work done for third parties, or the annual premiums which they may have gained.

Reference has been made to a problem of special importance which was formulated by Luigi Luzzatti as early as January 1916, at a meeting when proposals for the better organization of the movement were under consideration, and in particular a scheme for making small holders of these orphans when of full age, and after having had the advantage of a wisely planned education in practical agriculture (1). A scheme was drawn up by the *Opera* with

(1) In the preface to the work included in the list of authorities, "*Le Colonie Agricole*", Luigi Luzzatti dwells on the necessity of studying the problem of finding employment for boys on leaving the colony when the family does not offer them an independent position. He puts forward once more the idea of forming with the proper technical and economic safeguards, a phalanx of small owners, with their energies directed as their fathers' were on peaceful activities.

the object of facilitating the attainment of ends so important both in the social and economic aspects, in which the establishment within its own organization of a Small Rural Holdings Credit Section was proposed, in accordance with the Decree of 9 April 1922, No. 932, the terms of constitution of the Section to be approved by the Ministry of National Economy.

This Section was to make loans, for the purchase of small rural holdings, to orphans of peasants who had fallen in the War and by preference to those who had been supported on the farm colonies, such loans to be for a sum of not more than 30,000 liras in each case and at a rate of interest, including the amortization instalment and insurance, not exceeding 3 per cent. The Section is empowered to arrange, either independently or by agreement with other institutions, for the purchase of rural holdings, their division into lots of not more than three hectares, with dwelling house attached, and for the formation of rural farm estates to be put in charge of associations of peasant orphans, where the particular conditions are unfavourable to "petite culture". The scheme included powers to issue land bonds and to earmark large sums for the working of the Section while instituting numerous fiscal exemptions and facilities of different kinds. The whole scheme is characterized by the principle adopted that the small rural holding should be granted by preference to those who were taken into the colonies, *i. e.*, those who have received a vocational training in agriculture. The small holding would thus have solid foundations and be, as it were, a prize to be gained by the most skilful, to the manifest advantage of agricultural progress.

A recent meeting held at Milan (1) and attended by representatives of the Lombard *patronati* for providing assistance to the orphans of peasants killed in the War considered the question of the constitution of small holdings for their benefit. It was recognized that the laws now in force in Italy on rural credit make it possible to obtain from the savings bank institutions a great part of the capital necessary for loans on terms of repayment by instalments over a period of years and that for similar operations the Royal Decree of 30 December 1923, No. 3139 (2) guarantees considerable

(1) See the *Bollettino dell'Agricoltura*, No. 13. Milan, 27 March 1925.

(2) See No. 2 (April-June) 1924 of this *Review*, page 300.

assistance from the State for the payment of interest. It was resolved to proceed at once to the appointment of a Committee which should establish in Milan a special Rural Credit Section for the purposes described above.

Attention should be called here to the provisions made by the Government for the encouragement of the institution of farm colonies. These colonies require initial capital and working capital. The capital required for establishing a colony ranges from 400,000 to 500,000 liras, according to the area of cultivable land available. At the present time, in addition to the assistance given by the National Committee for war orphans as legally constituted in connection with the Ministry of the Interior, by the *Fondazione Industriale* and by the *Opera Nazionale per gli orfani dei contadini*, the promoters of the farm colonies have been able and are still able to take advantage of the provisions of two decrees which have been issued on the representation of the *Opera* mentioned, viz., the Royal Decree of 2 September 1919, No. 1660, and the Royal Decree of 23 October 1924, No. 1831. By the former the Deposit and Loan Bank (*Cassa dei depositi e prestiti*) was authorized to make loans to the provinces, up to the limit of 3,000,000 liras, to be extinguished within a period not exceeding fifty years. Such loans are intended for the purchase of lands and buildings, for the erection, enlargement and renewal of buildings, and for the establishment of farm colonies. On the request of the *Opera*, the interest on the sums loaned is being taken up by the State. As however the initial capital required for each colony for buildings, their equipment, a sufficient extent of cultivable land, live stock and farm implements, etc., amounts on the average, as has been stated, to between 400,000 and 500,000 liras, it is obvious that the 3,000,000 budgeted cannot be sufficient. In view however of the high importance of the object to be attained, the second decree empowers the *Opera nazionale* to contract loans with credit organizations and institutions, to be extinguished within a period not exceeding thirty years, for a total sum of not more than 5,000,000 liras, so as to ensure not only the objects enumerated in the Decree of 1919, but also that of the improvement of the lands purchased or to be purchased, which is regarded as a point of special importance in the establishment of new farm colonies. The promoters are not of course hereby debarred from building up a foundation capital in other ways. Thus, the

War Orphans Farm Colony at Mondovì lately obtained from the *Opera Nazionale per i Combattenti* a loan of nearly 200,000 liras for the purchase of a property which was essential for the due fulfilment of their schemes.

The working expenses are being covered by orphans' boarding allowances (*rette di ricovero*) which can be guaranteed to the colonies by the provincial war orphan committees, and partly also by contributions made by local organizations, ordinary savings banks, communes and other bodies, by the returns of the undertaking itself and by the grants of the *Opera*.

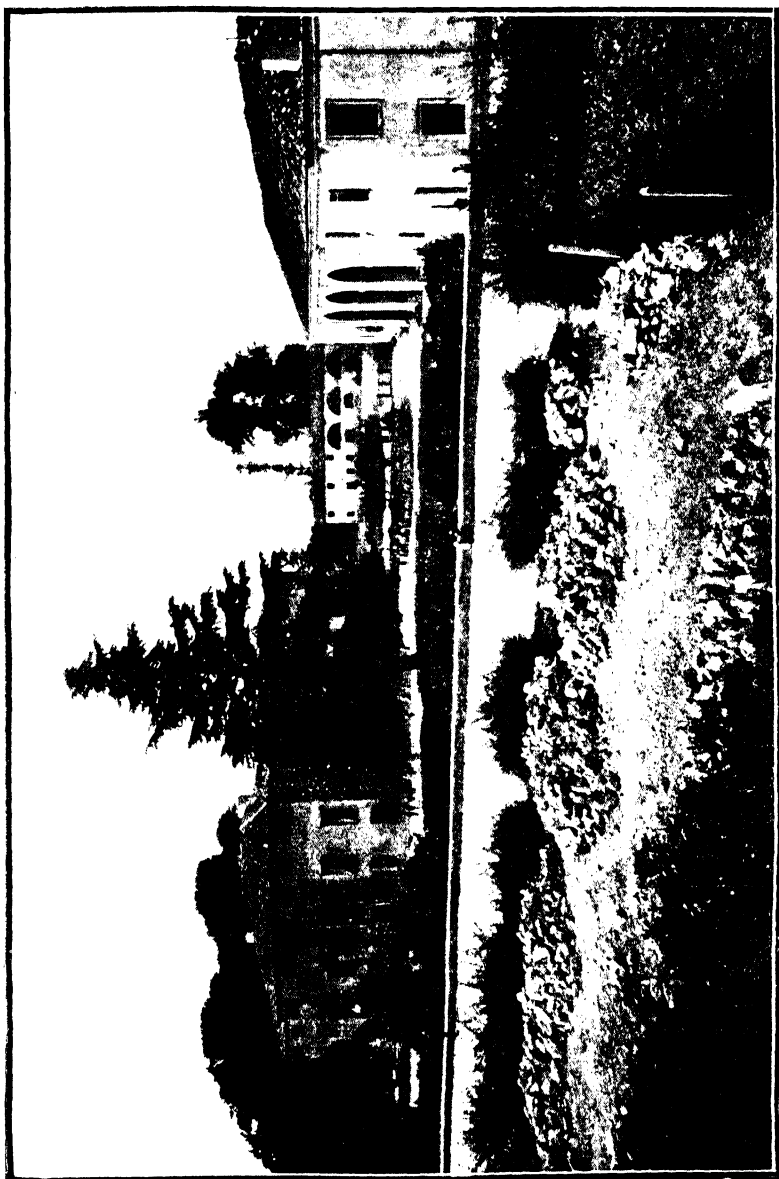
There are at the present time forty colonies in all, the majority owing their existence to the work of the *Opera*, and they provide accommodation for nearly 2,200 orphans while others are being established. The total of their owned capital, including lands, buildings, etc., is rather more than 15,000,000 liras and their annual receipts amount to about 3,000,000 liras.

Some notes on the principal farm colonies now working in Italy may serve to supplement this general statement.

§ 3. NOTES ON THE PRINCIPAL FARM COLONIES IN ITALY.

The exhibition of produce of the farm colonies and of hand-work done by the orphans at the *Mostra degli enti di assistenza per gli orfani di guerra*, held in Rome in November 1924, gave an excellent opportunity for judging the development of these valuable institutions and of the progress achieved by the boys in handicrafts, arts or in agriculture. Quite recently, however, information in much greater detail has become available on this phase of the work of the *Opera nazionale*, and from these particulars it is possible to form a definite idea of the importance of this new and characteristic system of agricultural training.

Lonigo (Vicenza). — This colony was instituted as a corporate organization by the Decree of 7 September 1916. It began work with a capital of about half a million liras, and has at present a yearly income of 50 000 liras, derived from the capital which is invested partly in landed property and partly in State bonds, and support is also received from the provincial War Orphans' Committee, from



Headquarters of the Lonigo Farm Colony.

the *Opera nazionale per gli orfani dei contadini* and the *Fondazione Industriale*. The colony consists of several buildings ; in the main block are the dormitories, the schoolrooms, assembly and entertainments hall, sick room and chapel ; in a second building there are the kitchen, store room, canteen, dining room and cloakroom ; a third building contains the laboratory and the baths, including both plunge and shower ; the stable with the wine cellar and hay loft above form a fourth block ; there are also a washhouse, pigstyes and a poultry yard, covered silos and a compost heap. The whole is set in the midst of well grown trees and shrubs.

A hundred and eleven orphans are received, representing nearly all the communes of the province. The area covered by the colony is about 50 hectares, half cultivated directly and half rented to tenants. All types of cultivation suitable to the soil are carried on ; the cereal crops include wheat, maize, oats, barley and rye, the root crops, beets, potatoes, beans, tomatoes, tobacco, etc., besides lucerne and clover. There are nurseries of American vines and fruit trees and bushes. A considerable part of the land is planted with vines and rows of mulberry trees are used for the rearing of silk worms which gives satisfactory results. Bee-keeping, gardening, vegetable and fruit growing and stock breeding are all carried on.

The instruction in agriculture on the theoretical side is given by a specially appointed chief instructor. The orphans are divided into three groups, according to age and proficiency, each group receiving instruction for at least three hours a week. Every day the boys over ten years of age spend from three to six hours in practical agriculture, taking turns at all the different kinds of work on the farm. In the winter they receive a training in the small carpentering industries of most use in agriculture, repairs to vehicles and machines, making of palings, hen-coops, etc., also in basket work, in grafting exercises and other occupations.

Volta Mantovana. — The farm colony of Volta Mantovana was established as a corporate body by the Decree of 22 April 1917, No. 745. The following bodies and persons took part in its foundation: the provincial government with the assignment in use and enjoyment of a holding of 37.3208 hectares, the communes of the province, the credit institutions, the ordinary savings banks, charitable institutions and private persons. According to the terms of constitution, approved by a Royal Decree of 19 June 1924, No. 1031, the object of the colony is " to unite, maintain, educate, and equip

for the scientific cultivation of the land " orphans and the sons of peasants : (i) killed in the War or disabled and unfit for work as a consequence of the War ; (ii) killed or disabled by accidents arising out of employment ; (iii) others who for whatever cause are not supported by their parents. Candidates for admission must be over 12 years of age, have passed out of the elementary school, be free from any contagious disease and from such physical imperfections as would disqualify them for work. The ordinary leaving age is 18, but the period of training may be shortened if the chance of advantageous employment occurs. The maintenance of the boys on the colony will be in accordance with "the requirements of a modest rural household, while the kindly treatment given will be such as to prevent them from feeling so keenly the separation from their own families and the traditions and habits of simplicity, honesty and hard work are maintained ". A vocational training is given of "an absolutely practical kind, designed to turn out good and skilful cultivators ", and the elements of general education are not neglected.

The boys will take a direct and continuous share in the farm work, the manipulation and transformation of the produce and the small industries connected with agriculture, and cannot fail thereby to "acquire a love for the work together with that knowledge and practical experience which will render them in a short time thoroughly independent and able to make a real contribution of activity and intelligence to the agricultural progress of the district ". On reaching the regulation age they leave the colony and the authorities endeavour to find them employment.

The residential block can accommodate about 100 boys, the present number being 67. The farm buildings include a stable for 20 head of cattle, a hayloft for about 800 quintals of forage, a poultry yard, a piggery, a silk worm nursery and a shed for an electric dynamo of five horse power.

The ordinary cropping is carried out on the usual rotation, the chief crops being wheat and maize with meadow. The shade trees planted all over the farm are nearly all mulberry from which about 800 quintals of leaves are gathered every year. All kinds of household vegetables are grown in the kitchen garden, part being used for the boys and part sent to market. There is also space for a vineyard and an orchard. The live stock consists of 15 cattle, 6 pigs and a number of poultry, rabbits, etc., of various kinds.



Figure 1. Surveying work in the field.

Mutigliano (Lucca). — The situation of this colony is particularly charming, at the far end of a beautiful valley, with particularly luxuriant vegetation. The extensive premises can accommodate 164 boys and girls. Their vocational training in agriculture is provided for as follows: courses in natural science and the theory of agriculture are given by a farm steward and have special reference to local conditions. The staff of the Province of Lucca *Cattedra ambulante di agricoltura* periodically hold special courses for the older pupils in vine and olive growing, stock breeding, and bee-keeping, with practical demonstrations on the farm, which is 16 hectares in extent. With the help of a grant from the Ministry of National Economy a model fruit farm has been planted, where the principal varieties are grown. In the kitchen garden vegetables are grown on market garden lines. Nurseries for vine cuttings and slips have been made with a view to the restocking of vineyards, and giving the boys practice in grafting. Great attention is paid to stock breeding. The most striking developments are undoubtedly in vine-growing, the grape being the characteristic product of the district; hence the colony is accordingly equipped with all essentials for scientific production.

The little girls are trained for household work, and taught sewing and knitting, and they also look after the silkworms, help to make jam, etc., and assist in any of the field work that is suitable for girls, such as hay making, the vintage, etc.

Rubignacco (Udine). — The colony accommodates 50 boys and 15 girls. Of the six hectares of land belonging to it, four are used on a four years' rotation of maize, potatoes, wheat and lucerne and two hectares are cultivated in vegetables. Results of the work of the small cultivators are very satisfactory; the wheat crop has this year yielded 7.5 quintals per a Friulian "field" (3,500 sq. metres) in a district where the average did not exceed 5 quintals in 1924. Rabbit breeding is practised with success, and a good financial return is obtained. Very successful too is the production of honey which amounts every year to more than a quintal; at the S. Daniele Agricultural Show at Friuli, in 1923, the colony took the diploma of honour for progress in apiculture.

The pupils are grouped as follows for elementary instruction in agriculture:

1. Pupils who are under 12 years of age and have not passed the fourth class in the elementary school. In their case the head

of the farm colony merely instils certain practical ideas, generally during the hours of work and occasionally during class hours.

2. Pupils enrolled in the preparatory course, who are over 12 years of age, but have not yet completed their elementary education.

3. Pupils taking the three regular courses, who have passed out of the elementary school.

The instruction in agriculture which is given by the head of the colony in these three annual courses is of an eminently practical kind. During the course and during the autumn holidays educational expeditions are made and visits are paid to the most important local farm undertakings.

The head of the colony also devotes time to the training of skilled labour and for that purpose forms squads assigning each to some special branch of agriculture. Hence in the future it will be possible to send out boys who are fully qualified in pruning, grafting and stock breeding.

Some instruction in the elements of farm household management and of hygiene is given by a teacher and informally by the health officer of the Institute.

Bologna. — The *Patronato di assistenza agli orfani* for the Province of Bologna has placed 53 orphans in the farm colony for training in all kinds of field labour under a head who is also a farmer. The Colony has the use of about 48 hectares of land, chiefly irrigated, granted in usufruct for fifteen years by the provincial administration.

In recent years a considerable impetus has been given to the growing of vegetables, from which a return of about 15,000 liras has been obtained. A nursery of fruit trees is being made and also one of American vines for the purpose of restocking vineyards attacked with phylloxera, and also giving the pupils practice in grafting. An asparagus bed has also been planted.

Pigs are reared, partly for the needs of the colony and partly for the market. The daily yield of milk from the cows is about a quintal. Rabbits, fowls and pigeons are also kept, and the cultivation of flowers is not neglected and brings in some thousands of liras.

The farm is equipped with a number of farm machines and the boys are given instruction in their use and management.

It is the intention of the administration of this colony to pass

on the more promising pupils to higher courses of agriculture so as to enable them to obtain good positions later on.

S. Vittoria (Reggio Emilia). — The farm colony is on the land of the S. Vittoria Co-operative Land Holding Society. It has a large fruit and vegetable garden and a nursery of American vines, both irrigated. Many branches of agricultural industry are actively carried on and each of the orphans has a chance of learning any branch. The large extent of land farmed by the co-operative society gives the elder children the opportunity of being present at all kinds of farm operations, of taking a share in the management of the stock, the cheese making and also in the farm book-keeping, so that the vocational instruction may be regarded as complete.

The receipts of the colony consist for the most part in ordinary and extraordinary contributions. The Provincial Committee pays 1,000 liras yearly for every orphan admitted; the provincial administration and the commune of Reggio Emilia contribute respectively 10,000 and 5,000 liras. Among the extraordinary receipts may be reckoned the grant from the *Fondazione Industriale*, which in 1923 amounted to 10,000 liras and the contribution of the Ministry of the Interior, which in the same year was 12,000 liras. The profits from the nursery and the vegetable garden amounting in 1924 to over 15,000 liras may be considered as a return on capital.

In the first stage of the existence of the institution, 55 war orphans were received and maintained at the colony. Some have returned home with a good equipment of technical knowledge; others, with special aptitudes, have passed into the intermediate course. At the present time the number in the home is 34.

Marzana (Verona). — 65 orphans have been received, but further admissions are approved which will bring the number up to 75. The fortunate circumstance that the colony adjoins the Provincial School of Agriculture makes it possible for the orphans to make constant use of the fields belonging to the school, which has land to the extent of about 30 hectares of land. The elder ones take turns at work in the stable, the nurseries, grafting, in the vegetable garden and the numerous agricultural industries which are carried on at the School including cheese making, milling, bacon-curing, distilling, etc. A monthly report form is kept for each pupil, recording diligence and progress in farming, and small prizes are given to encourage the better pupils. When the elementary school course is over, the pupils work on the farm of the School and earn

a small wage which is put aside for them so that at a certain age the boy has some money in hand for the purchase of tools, etc. The managing body has a scheme for handing over certain small plots to the care of individual children, so as to arouse emulation and to awaken the sense of responsibility which is connected with independent work.

Scipione (Parma). — This colony has been established by the provincial *Patronato* and has been endowed with a holding of about 75 hectares, on which there are various types of buildings, and accommodates 60 orphans between the ages of nine and seventeen years. The youngest attend the more elementary courses in the theory of agriculture, and all the others go by turns with their teachers into the fields for suitable instruction according to their aptitude and capacity; the vocational training both in theory and practice is centred round all the field operations, and covers ploughing, sowing, harvesting, planting, horticulture, stock breeding, etc. To complete the scheme, vocational courses in agriculture for the development of special skill have recently been started with the support of the *Parma Cattedra ambulante di agricoltura*.

Prizes are given to those who show proficiency, and as soon as possible savings books will be instituted which will serve to provide a sum of money such as each pupil will require when he leaves the institution to meet the expenses of setting up and equipping his own home.

Crespino (Rovigo). — The buildings of the Rovigo farm colony for orphans are entirely new and of the most modern design. In particular the type of cowshed is taken as a model by the farmers of the neighbourhood. The property on which the boys are housed is in three sections. There is a large recreation ground with gymnasium and theatre, a well stocked poultry yard, a piggery and rabbit hutches and at a little distance a farm work shop and a shop for making and repairing farm carts and implements, casks, etc., in which the boys are trained. Another part is used entirely as a granary. There are in all 13 hectares of land, planted with trees and vines; the cultivation includes sugarbeet, lucerne, wheat, hemp, tobacco and minor products. A vegetable garden of about two hectares of land, cultivated intensively by the boys themselves, produces all the vegetables required for the colony and leaves a margin for sale to the public. A number of mulberry trees are used for



Huonville, Elberton, Missouri



Built by Elberton, Missouri - Orphan's playground

the rearing of silkworms on a large scale. By the sale of cocoons a sum of several thousand liras has been realized. The number of boys admitted is fifty. Another fine and spacious property about one kilometre from the first is ready to receive the girls.

Rocadebaldi (Mondovì). — This colony was opened in November 1920 and at present takes 50 boys. The younger attend the elementary school in the village and the elder lads work on the farm. The agricultural instruction is given by means of courses with special supplementary courses in grafting and pruning, cheese-making, weaving of leaves to make rugs, matting, baskets, chair seats, etc.

Buffalotta (Rome). — The Roman farm colony was established some years ago on the Buffalotta estate and is a remarkable centre of activity, the home of about 100 orphans, who are trained in the practice of agriculture and the allied industries. It is approached by a long avenue of mulberry trees. The thirty plots of land, each about 800 square metres in area, are separated by rows of vines, and all round the buildings are gardens and orchards with recently planted asparagus or artichoke beds. Between the park, which is planted with specimens of the finest ornamental plants and with borders of flowers, and the pinewood in the background are the more important buildings; the main block is three storied and contains two large dormitories, each with 35 beds. In an adjoining building are the schoolrooms and a hall for theatrical performances, with a stage and cinema plant apparatus, for Sunday recreations and for lectures on agriculture. There is also the mill and the electric sifter, the macaroni factory, bakery and laundry. The vocational instruction is given in three courses and closely follows the seasonal agricultural work; it is supplemented by lessons in recitation, singing and playing of some instruments. Other means of instruction include lantern slides or films and apparatus for taking cinema records at the appropriate moment of particularly interesting situations or developments in the daily work. A museum illustrative of the district is also arranged.

Besides weekly prizes, extra prizes are also given to the boys who work the land. Those who actually form part of the household receive instead a daily wage.

The colony is making an experiment of high sociological importance in parcelling out some 80 hectares of land which it has rented

and is now handing over for independent management by boys who, having reached the age of 18, should in the ordinary course leave the institution. These allotments are made to boys who have already given proof of intelligence and hard work.

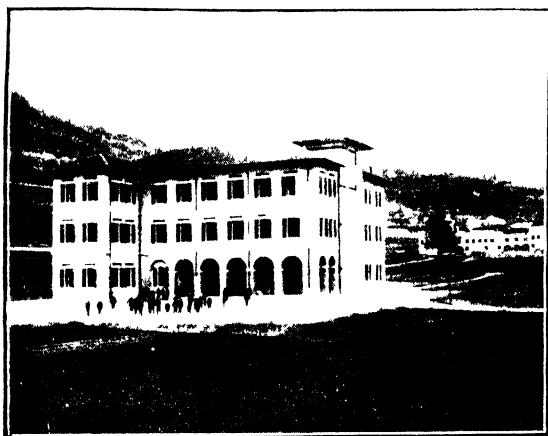
Somma Vesuviana (Napoli). — The colony takes in 31 boys and 19 girls. It has a farm of four hectares with herbaceous crops, (beans, peas, potatoes, tomatoes, runner beans, etc.), and with tree crops, including vines and fruit trees. There is besides a garden planted with oranges and lemons, where there are also two model fowl houses, a pigsty and an apiary. An orchard on scientific lines is also being planned. Elementary instruction is given by teachers appointed for the purpose by the municipality of Somma, the technical instruction by the staff of the *Cattedra ambulante di agricoltura*.

The girls receive special training in women's work such as embroidery, lace, stocking knitting with the machine, making underwear, etc., and the colony sent to the *Mostra nazionale* at Rome a group of four little girls who won the admiration of all the visitors by the skill with which they carried out different kinds of work.

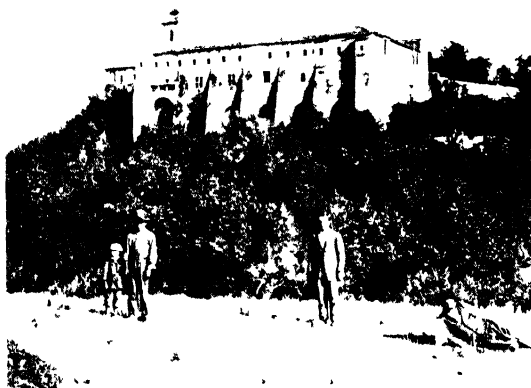
This colony has limited sources of income of its own, but receives aid from the Provincial Committee, the *Opera Nazionale* and the *Fondazione industriale*. The comparative smallness of its resources have not however prevented a striking development of its activity, and in consequence the farm colony of Somma Vesuviana is among the most important in Italy.

The Lecce group. — This consists of three colonies, which owe their origin to the work of the *Patronato* of Salento. Two of them are for boys, one at Corigliano d'Otranto and the other at Martina Franca, and there is a girls' colony at Lecce, and between them places are provided for nearly 200 orphans. In view however of the large number of orphans in this province, amounting to nearly 5,000 for the peasant class alone, the *Patronato* is intending both to enlarge the present colonies and to set up two new ones, the preliminaries for which are already well advanced.

The colony of Corigliano, which was the earliest, is the most important, both from the point of view of its development, and from the number of children admitted, which is not far short of 100. The farm covers about 36 hectares and is equipped with extensive premises for dormitories, schoolrooms, dining hall, gymnasium, theatre,



New building belonging to the Marzani Farm Company



Home of the Pennic orphan

church, stores and stables which conform in every way to modern requirements as regards structure and hygiene. Besides elementary instruction, a practical training in agriculture is given, adapted to the particular needs of the district. Every boy has his savings bank book, in which a small sum is entered weekly, corresponding to half what is actually or may be considered to be the value of his share of work. There are eight draught and milch cows belonging to the colony, a large rabbitry which supplies all the needs of the institution, a piggery, a poultry yard with a large variety of breeds, a pigeon house and an apiary. All the boys are already trained for the main types of field work; among the elder lads there is a squad of able grafters, and under the supervision of the foreman they drive the oxen that draw the ploughs and the harrows.

The colony of Martina Franca, where there are 40 orphans, has a farm holding of about three hectares with a nursery stocked with American vines. As soon as the buildings, which are to accommodate up to 100, are rebuilt and adapted, it is proposed to establish a cheese factory and a model wine making plant, so as to give the young peasants a training in the two main industries of the district. The internal organization is modelled on that of the colony of Corigliano.

The Lecce girls' colony is the first of the kind in Italy. It consists of a large and spacious property with a holding of about seven hectares attached, and there are also a vineyard grafted on American stocks, an orange and lemon plantation, a palm grove and plenty of space for vegetables, cereals and tobacco. If the proposed extensions are carried out, it will be possible to take 80 girls instead of only 50 as at present.

The other colonies with the number of orphans received in each are as follows: Sezze Romano (137), Villa S. Martino (80), Dipignano (80), Roccadifalco (71), Croara (54), Lucera (49), Calenzano (47), Alvito (46), Arco (44), Benevento (30), Borgo Frizzo (30), Porto Recanati (30), Grinzane (30), Coriano (30), Babucce (26), Ponte Valtellina (24), S. Placido Calonerò (20), and Penne the most recently established.

In addition there are the four farm colonies instituted by the *Opera nazionale del Mezzogiorno*, of which that of Gioia del Colle is situated in one of the most beautiful places in Southern Italy, and has a fine building specially constructed for this purpose, ground for experimental crops of every kind, and for rearing different

kinds of live stock. The colony has taken prizes and silver medals at a number of exhibitions and there is accommodation for 50 orphans. The remaining three are the Padula colony with 55 orphans, the girl's colony at Sparanise with 42 girls and about 10 hectares of land, particularly well situated, and the colony at Orsoleo which has been lately opened. This group of colonies call for special mention, inasmuch as, owing to the fact that model farms are rare in Southern Italy, they offer a very real contribution to agricultural progress.

GIULIO COSTANZO.

AGRICULTURAL CO-OPERATION IN POLAND

§ 1. THE BEGINNINGS OF CO-OPERATION IN POLAND.

The beginnings of co-operation in Poland date back to the 18th century. In particular at Pabianice in 1715 the first society was inaugurated on a basis that was in part philanthropic and in part co-operative. It was organized by the Abbé Jordan for the purpose of making loans to assist the inhabitants of Pabianice during the epidemics which were raging among their farm animals. The capital employed by the society was made up partly by free gift and partly by members' contributions. In 1765 André Zamoyski organized rural loan banks at Jonne and Elzbiecin, the capital being formed by the contributions of the inhabitants of the two localities, fixed in proportion to the land held. These banks were under the management of the mayor of the village and two elected members. About the same date two banks which had already been accepting savings deposits, at Siemiatycze and Kock, were established as loan banks by Anne Jablonowska. In 1779 Michel Swidzinski founded a rural bank on similar lines at Stara-Wiés. Towards the end of the century a number of "grain store-houses" were established in different places in Poland. These were really loan banks lending their capital in the form of grain to the people of the neighbourhood.

Stanislaw Staszic may however be reckoned to be the pioneer of agricultural co-operation on Poland in the modern sense of the term. Well known in Poland as a political writer and the moving spirit in the constitution of 1791, it was in 1822 that he founded at Hrubieszów an agricultural co-operative society. For this purpose he offered the estate of Hrubiedzów to its inhabitants, numbering in all 329, on condition that they agreed to form among themselves an agricultural co-operative society the objects and activities of which were defined by a set of special rules. Accord-

ing to the terms of constitution the estate of Hrubieszów was divided into lots of from 33 to 55 hectares the owners of which were to make a contribution of 4 zloty per hectare to the society. The members of the society were jointly and severally liable for payment of the taxes, and in case of fire were under an obligation to contribute to the reconstruction of the buildings destroyed. They were also obliged to make certain payments on behalf of members of the society who had incurred losses owing to bad harvests or to hail damage. The society owned a bank with a capital made up by the interest on the sum of 60,000 zl. deposited for the purpose by Staszic, and by first charges on the profits made by the mills, the fish ponds and fields jointly owned. The bank made loans for agricultural improvements and for the formation of industrial and commercial establishments. If the bank funds were not completely absorbed in loans, the surplus was devoted to the purchase of adjacent land for the benefit of the society. The society owned three grain banks making loans in the form of grain. The society was also bound to supply funds for the maintenance of five primary schools, and to establish a certain number of bursaries tenable at the different types of secondary school. The society had its doctor, its hospital, and, its homes for the aged and for cripples and orphans.

The management of the society was in the hands of the chairman, a hereditary office, and six administrators chosen by the members of the society.

As has been seen the early agricultural co-operative societies in Poland were organizations partly philanthropic and partly truly co-operative. At the same time they had the characteristics of a modern co-operative society, greatly resembling the institutions of Robert Owen and of Fourier, especially in the retention of the element of philanthropy.

The political and economic conditions obtaining in Poland during and immediately after its partition brought about the collapse of the whole of this co-operative movement of the end of the 18th century, the only exception being the Hrubieszów society, which has survived to the present time, in spite of all the persecution it underwent at the hands of Russian invaders. It was only towards the end of the 19th century that a new co-operative movement emerged, first in Western and then in Central Poland, which owed its origin to the influence of the European events of 1848.

Dr. K. Marcinkowski, who was exiled by the invaders after the national rising of 1830-31, on his return after spending a number of years in France and England took the lead in the new co-operative movement in Poland. Under the influence of his example Evariste Estkowski, August Cieszkowski and Charles Libelt carried on the work of Marcinkowski, who with the economist Sepinski stands in the first rank of the exponents of Polish co-operation. As a result of the labours of this group of men, the Savings and Loan Bank was instituted at Srem in 1850, and soon after in 1852 the Mutual Aid Association which was the origin of the "Manufacturers' Bank" at Poznan, which has been the model for many Popular Banks established later in Western Poland.

At this point there was however a check in the development of the co-operative movement in Poland, due to the national rising of 1863 and the European economic crisis of 1873. The first of these causes, although specially affecting Central and Eastern Poland, had results that were felt throughout Poland in that it removed from co-operative activities a large number of Polish intellectuals and patriots. By the European crisis confidence was shaken in all manufacturing and financial undertakings and the Manufacturers' Bank at Poznan lost all its reserves and 30 per cent. of its capital.

The increasing persecution by the invaders forced the Polish nation to revise its defensive measures. The armed struggle of 1863 led to no decisive results and it was resolved to proceed to economic measures, consisting in the improvement of the condition of the population of Poland on constructive lines, so as to prepare the nation for future warfare. Co-operation was proclaimed as being an element in this new economic programme. From that time, towards the end of the 19th century, the co-operative movement becomes an element of national defence and shows remarkable development.

The year 1886, the date of the enactment of the Prussian law on the settlement of Polish lands by Germans, should be noted as the climax of the development of agricultural co-operation and Polish co-operation in general.

Side by side with these political and economic elements mention must also be made of the legislation on co-operation which has also contributed greatly to the development of agricultural

co-operation in Poland, and a brief survey may here be made of past and present legislation on co-operation in Poland.

§ 2. THE LEGISLATION ON CO-OPERATION.

Three kinds of legislation on co-operation prevailed in Poland before the European War. A co-operative society came under the German, Austrian or Russian legislation according to the locality in which it had been organized. German legislation has however had the greatest influence on Polish co-operation, whether directly by regulating the co-operative societies of Western Poland or indirectly by serving as a model for the Austrian and Russian co-operative legislation. Hence in Western Poland the German Co-operative laws of 1868, 1889 and 1898 were in force, and in Southern Poland there was first the Austrian law of 1852 on associations and then the laws of 1873 and of 1903.

Russia was the last to legislate for co-operation. It was only from 1896 onwards that Central and Eastern Poland obtained legislation on co-operation, with the Russian laws of 1896, 1897, 1898, 1904 and 1905 on the co-operative credit societies, the consumers' societies and the agricultural co-operative societies. By these laws model rules are imposed which have been prescribed by the legislator, and are not easily reconcilable with actual requirements. The necessary legislation for forming a co-operative society was moreover vested in the Minister of the Interior and his officials which made the establishment of a Polish co-operative society very difficult. One of the most serious defects of this legislation was that there was an embargo on the formation of audit unions of the co-operative societies.

Such was the co-operative legislation in Poland on 1 January 1921, the date on which the new Polish co-operative law of 29 October 1920 came into force and took the place of all previous legislation.

The new co-operative law is the outcome of a selection made among the provisions of the preceding legislation: the German laws of 1889 and 1898, the Austrian and the Russian, taking into account the experience gained by the co-operative movement in Poland.

The characteristic points of this law are first the compulsory inspection of every co-operative society in Poland by an inspector

approved by the Co-operative Council sitting at the Ministry of Finance; this inspector must have no interest in the society under inspection. In the second place the co-operative societies are left free to federate into audit unions. The third point has reference to the sharing of profits, a part only is to be divided among the associates, the remainder to form a fund for the general benefit. The method of winding up the society is also prescribed, the total of the actual contributions paid only being repayable to the members while the surplus is to be used for purposes of social utility.

Apart from these main restrictions, the new law of 1920 leaves the co-operative societies complete freedom as to their internal organization.

To sum up, it may be said that practically the whole of the agricultural co-operation of Poland had been established before 1921, and consequently in the lines of the former laws on co-operation German, Austrian and Russian. The Law of 1920 is however at the present time doing important service to co-operation and especially to agricultural co-operation, by making possible the consolidation of the whole Polish co-operative movement, which has grown up as the consequence of an economic crisis. The following is a survey of the present state of agricultural co-operation in Poland

§ 3. DIFFERENT FORMS OF AGRICULTURAL CO-OPERATION IN POLAND.

The co-operative institutions of Poland fall into three groups:

- (1) The Stefczyk co-operative local banks and the societies attached to these banks;
- (2) The Wawrzyniak popular banks and attached societies;
- (3) The consumers' societies.

The Stefczyk co-operative banks were established by Dr. Francis Stefczyk on the lines associated with the name of Raiffeisen, while the Wawrzyniak popular banks were influenced by the Schulze-Delitzsch principles; the German co-operative laws which previously regulated the co-operative banks represent to a certain degree the codification of the Schulze principles.

Both Stefczyk and Wawrzyniak adapted the foreign models of co-operation to Polish conditions, supplementing them by the results of their own experience and observation and sincere patriotism. Hence it is that these institutions have now a purely Polish

character which as a result of the action of the President of the Republic, M. Wojciechowski, and of M. Mielczarski is also found in the consumers' societies in Poland.

§ 4. THE STEFCYZK CO-OPERATIVE LOCAL BANKS AND THE ATTACHED CO-OPERATIVE SOCIETIES

The Stefcyk Banks. — The first Stefcyk local bank or credit association was organized by Francis Stefcyk himself at Czerlichow, near Cracow, where he was a lecturer at the school of agriculture

The special features of this institution were first its twofold inspiration, patriotic and educational on the one hand, and economic on the other, a strictly defined field of activity, unlimited liability, small subscriptions and dividends, the exclusion of the bill of exchange as a form of credit and finally the impossibility of alienating the reserves.

During the nine years following 25 similar associations were formed and in 1899 the Union of Agricultural Associations was established at Lwów, the function of which was to supervise these institutions and to establish new banks. This Union is still in existence and very active. In this way a whole series of Stefcyk banks were organized from 1899 onwards, and at the end of 1913 there were 1,397 such banks in Galicia with 320,000 members.

In the other provinces of Poland the organization of banks of this type was undertaken, in Central Poland in 1908 and in Silesia at the same time as in Galicia.

In the whole Republic in 1918 there were 2,036 Stefcyk banks with 470,000 members. In 1924 there were 1,927 with more than 500,000 members grouped under four audit unions as follows. the Union of Agricultural Associations at Lwów, the Audit Union of Polish Agricultural Associations at Warsaw, the Cieszyn Union of Agricultural Associations and the Silesian Union of Raiffeisen Societies at Katowice. Adding the number of the banks represented by the Union of German Societies in Poland at Lodz, the Union of Agricultural Co-operative Societies at Poznan, the Union of the German Co-operative Societies of Poland at Poznan and the Union of Rural Associations at Tczew, a total number of more than 2,400 co-operative credit societies based on the Stefcyk principles will be obtained.

Statistics published by the Union of Agricultural Associations at Lwów and the Audit Union of Polish Agricultural Associations at Warsaw give some idea of the activities of these banks some years ago. According to these statistics the saving deposits of the banks under the inspection of these two Unions amounted in 1913 to 73,306,807 gold francs and in 1918 to 122,982,768 gold francs.

These deposits were thus the more important factor in the working capital of these banks. Unfortunately, the recent wars and the consequent depreciation of the mark practically wiped out these funds, and the very existence of the banks was threatened. At the same time Government support was found and credits opened for them, in the hope that when once the financial reform was carried through the banks would resume their valuable work, thus assisting the Government by reviving in the masses the spirit of thrift, which had disappeared as a result of the depreciation of the currency.

As a matter of fact, the Stefczyk banks are peculiarly well adapted for such a mission owing to their basis of unlimited liability and their geographical distribution among the rural population.

As a result of the changes that have come about in Poland since the War, the character of the Stefczyk banks has become modified. Their chief feature is now the liability which is with few exceptions, unlimited. They have ceased to grant long term credit and only make loans repayable at an early date, and almost exclusively under the form of a bill of exchange. These institutions are for the most part under voluntary management.

It is also interesting to note that the national minorities inhabiting Poland in many cases take part in the Polish movement for agricultural co-operation. Thus for example among the members of the Union of Agricultural Associations at Lwów there are more than 400 Ukrainian Stefczyk banks.

Following on the financial and monetary reform in Poland, a certain recrudescence of activity in the Stefczyk banks is noticeable. In 1925, 250 new banks of this type have been formed and are beginning to accept savings. The deposits amounted in June 1925 to a total of 2,000,000 zloty.

Agricultural Selling Associations. — At a date later than that at which the co-operative credit societies were formed,

agricultural selling associations were established in Poland in connection with the Stefczyk banks.

These associations are co-operative societies, with limited liability, doing a trade in agricultural produce, artificial manures, farm machinery, fuel, building material and in every kind of goods bought or sold by the cultivator.

The first of these associations was organized at Bochnia in 1903 and in 1912 there were already 30 such associations in Galicia. At the same time it may be said generally that the agricultural selling associations only began to develop from 1919, that is, from the time when trade began to recover after the depression due to the War. In December 1924 the number of agricultural selling associations attached to the Stefczyk banks was reckoned at 169 and the total membership at 130,000. The associations are grouped under the following audit unions: the Audit Union of Polish Agricultural Associations at Warsaw, the Audit Union of Agricultural Associations at Cracow, the Audit Union of Agricultural Selling Associations at Lwów, the Ciesczyn Union of Agricultural Associations. The wholesale depots of the associations are in the principal towns of Poland: the Central Depot of the Co-operative Selling Organizations at Warsaw, the Central Depot of Co-operative Sales societies at Vilno, the Agricultural Syndicate at Vilno and at Cracow and the Raiffeisen Wholesale Warehouses at Katowice.

Co-operative Dairies — The co-operative dairies undertake the sale of milk and its by-products: butter, cheese, casein, etc. This type of co-operative society has been organized in Poland from 1901. In Southern Poland or Galicia, however, no considerable development took place till the establishment in 1904 of a special section for dairying within the Union of Agricultural Associations at Lwów and of a school of dairying at Rzeszów. In Central Poland development dates from 1908 the date on which the Central Farmers' Association, working in conjunction with the Farmers' Dairy Association at Warsaw, began to organize the co-operative dairies. The latter association was soon transformed into a Union of Milk and Egg Selling Co-operative Societies at Warsaw, owning in 1913 more than 40 sale depots in the province and in Warsaw itself.

In December 1924, there were 168 co-operative dairies with a total membership of 22,500, in connection with the Stefczyk banks.

These dairies were grouped under two audit unions: the Audit Union of Polish Agricultural Associations at Warsaw and the Union of Agricultural Associations at Lwów. The two central depots for sales were the Union of Milk and Egg Selling Co-operative Societies at Warsaw, and the Union of Co-operative Dairies at Cracow.

The co-operative dairies suffered severely from the War, particularly from the requisitioning and the actual pillage of cattle. During the War there were times when the co-operative dairies ceased to exist and it was only from 1921 onwards that they resumed normal activities. At the present time they seem to be making rapid progress, as is shown by the figures given below:

	Year	Number of co-operative dairies	Number of members	Number of cows	Total Delivery of milk (in litres)
Southern Poland (Galicia)	1919	13	11,188	25,402	12,490,622
	1920	76	12,40	—	1,530,880
Central Poland (Congress Poland)	1913	113 (1)	3,915	20,701	35,288,578
	1920	50	6,487	9,911	7,837,427
	1921	50	6,003	9,941	6,861,075
	1922	52	6,301	10,892	9,381,717

(1) Out of 104 actually at work.

Two hundred new co-operative dairies have been organized since January 1925.

Co-operative Egg-selling Societies. — The co-operative egg-selling societies are engaged in the collection, purchase and sale of eggs as well as in poultry-keeping. The first five societies of this kind were formed in Central Poland in 1912 and in 1914 there were eleven societies. They were however ruined by the War, and it was only in 1920-21 that the Union of Milk and Egg Selling Societies at Warsaw undertook the reorganization of these societies in the departments of Central Poland. It was nearly at the same date that a beginning was made with the organization of similar societies in Southern Poland (Galicia). Briefly, in December 1924 there were 37 co-operative egg-selling societies, connected with the Stefczyk banks, with a total membership of 35,550. These societies are grouped under the Audit Union of Polish Agricultural Associations at Warsaw and the Audit Union of Agricultural Associations

at Cracow. Their central sale depots are the Union of Milk and Egg Selling Co-operative Societies at Warsaw, which sold 130 truck loads of eggs in 1922 and 96 in 1923; the Union of Co-operative Egg Selling Societies at Cracow which in the course of 1923 sold 132 truck loads of eggs, 79 of which were for export; the Co-operative Union of Egg Selling Societies at Lwów, which in the course of 1923 exported 39 loads and sold on the spot or preserved 17 loads, and also the Egg Purchase and Sale Syndicate, at Tarnow, which sold 43 loads (1).

Miscellaneous Co-operative Societies. — Side by side with the agricultural selling associations, the co-operative dairies and the co-operative egg-selling societies, there are other co-operative societies connected with the Stefczyk banks. Among these are the basket-makers' societies 17 of which in December 1924 were in existence in the neighbourhood of Lwów, engaged in making wicker work goods of various kinds. They are grouped under the Union of Agricultural Associations at Lwów and have their own central depot the Union of basket-makers societies known as "Lozina" at Lwów which provides special instructors and experts. Mention may also be made of a few electric power co-operative societies; co-operative confectionery societies; and societies for poultry-keeping, building, letting of land, etc.

Central Bank of Agricultural Co-operative Societies. — All the co-operative societies referred to have a common bank, the Central Bank of Agricultural Co-operative Societies. The Central Bank was founded at Lwów in 1909, as the result of the efforts of Francis Stefczyk, as an institution of independent Galicia. In virtue of the decree of 8 February 1919 the terms of constitution of the Bank were changed and from that time the character of the institution became semi-official, and its activity was extended over all the territory of the Republic. At the present time the headquarters of the Central Bank are at Warsaw, and there are four branches at Warsaw, Cracow, Lwów and Vilno. It carries on all types of banking operations, but grants credit only to co-operative societies or to their members. The shareholders include the agricultural co-operative societies, the Treasury and the independent institutions of Galicia; the greater number of these societies, as has been stated, are Stefczyk banks with unlimited liability. Only

(1) A load contains 110 cases of 1440 eggs.

agricultural co-operative societies can have full rights of membership in the Central Bank, and in December 1924 the number of such societies was 1,652 with more than 500,000 members. The liability of the Bank for the obligations incurred by its branches is of a joint and several kind, and the liability of the shareholders of the Bank for its obligations is double that of the actual contribution of a Society to the Bank capital.

The Bank capital was at first fixed at 2,000,000 Austrian crowns but was raised in 1916 to 5,000,000 crowns. In 1919 the Treasury found an additional sum of 10,000,000 Polish marks. At the same time the Bank began to increase its capital by means of the subscriptions of its members.

The capital of the Central Bank was made up as follows

	1900 gold fr	1913 gold fr	1918 gold fr	1 December 1924 gold francs
Grant from the Treasury and from the independent authorities of Galicia	1,335,330	1,186,161	1,003,022	120,000
Members' contributions	—	—	—	2,415,114

It will be seen that the depreciation of the mark has considerably reduced the capital of the Bank. It should however be added that from the time of the monetary and financial reform of the President of the Council, Grabski, a steady increase in the capital of the Bank from the contributions has been noticeable. Up to 1920 savings deposits constituted the principal part of the working capital of the Bank. The amount of the Bank deposits in the several years were

1913	1918	1923
9,919,364 gold fr.	90,614,903 gold fr	14,134 gold fr

As the above figures show, the depreciation in the currency also proved disastrous to the savings deposits of the Central Bank and in this way wiped out the greater part of its working capital. Fortunately the Government recognized the importance of the Bank for agricultural savings and came to its assistance, both directly in the form of credits and indirectly by means of guarantees.

The following table gives a general idea of the development of the Central Bank from its beginning :

Year	Capital	Reserves	Deposits	Loans	Balance sheet totals
	zl	zl	zl	zl	zl
1909	1,338,332	—	2,595,851	5,239,180	5,302,819
1910	1,381,003	5,081	5,271,347	5,333,702	6,718,851
1911	1,430,365	10,892	12,407,724	5,648,388	13,904,094
1912	1,453,811	15,228	9,889,241	7,511,972	11,490,839
1913	1,480,461	16,159	9,125,389	9,072,678	11,528,485
1914	1,466,110	50,725	8,148,090	11,781,197	14,901,572
1915	1,181,232	78,315	29,285,911	6,965,559	30,592,203
1916	1,125,000	123,684	53,280,161	3,301,965	56,633,714
1917	2,500,000	252,852	72,600,235	1,161,977	77,514,064
1918	1,023,077	378,211	90,611,005	1,133,559	93,103,315
1919	958,503	70,799	9,081,271	8,665,000	10,113,287
1920	1,116,681	19,588	1,505,811	60,191	2,081,226
1921	40,772	12,980	458,478	88,839	1,221,304
1922	50,251	6,406	165,118	1,121,105	1,533,300
1923	12,058	19	1,1134	100,113	1,765,54
1924	361,511	16,111	1,131,111	1,111,111	11,111,111

Audit Unions. — Among the most important factors in the development of the Polish co-operative movement is the work of the audit unions. It would not be an exaggeration to say that these audit unions have brought about agricultural co-operation in Poland, and a brief account may be given of these unions and their functions.

Their work mainly consists in the supervision of the co-operative societies, a supervision prescribed by the law of 1920 and conferred upon the unions by the Co-operative Council. In addition to this obligatory function, the audit unions also undertake the publication of periodicals, handbooks and instructions for the co-operative societies and assist them with advice when required. The audit unions also represent their members in any procedure of common interest, whether legal, administrative or financial. In short the audit unions act in respect of the co-operative societies as a supervisory, advisory and representative body, exercising a considerable influence on the members.

A detailed list may here be given of the audit unions which have most contributed to the development of the *Stefczyk* banks

and of the co-operative societies connected with these banks. The first which should be mentioned is the Union of Agricultural Associations at Lwów, which was founded in 1899, and in December 1924 numbered 1,374 Stefczyk banks (including 300 Ukrainian), 68 co-operative dairies and 17 co-operative basket-making societies; in all 1,459 co-operative societies with 362,900 members.

The Cieszyn Union of Agricultural Associations founded in 1909 included at the end of 1924, 52 Stefczyk banks, 3 agricultural selling associations and 28 miscellaneous co-operative societies, in all 83 co-operative societies with 15,000 members.

The Audit Union of the Polish Agricultural Associations at Warsaw was established in 1917; at the end of 1924 it included 558 co-operative societies with 221,750 members, *viz* 360 banks, 100 co-operative dairies 91 agricultural selling associations and seven egg-selling associations. In May 1925 this Union included 726 co-operative societies with nearly 300,000 members and in particular 476 local banks, 151 co-operative dairies, 90 co-operative selling associations, six societies for sale of eggs and three central depots.

The Audit Union of Agricultural Selling Associations at Lwów was organized in 1918, and at the end of 1924 included 34 of the associations with 6,500 members.

In 1921 the Union of Raiffeisen Associations was established at Katowice; in 1924 it included 141 banks and six miscellaneous co-operative societies, in all 147 co-operative societies with 20,000 members

Finally the Audit Union of Agricultural Associations at Cracow founded in 1922 included, in 1924, 41 agricultural selling associations, 20 egg-selling societies and six miscellaneous societies, *i. e.*, a total of 76 societies with 67,700 members.

Confederation of Unions of Agricultural Co-operative Societies of the Republic of Poland. — The War and also the depreciation of the currency had a disastrous effect on the agricultural co-operative societies of Poland. With the exception of the selling associations all the co-operative societies suffered more or less heavy losses, and even a partial suspension of activity. But from the time of the monetary and financial reform in Poland, and from the establishment of the Bank of Poland, the position of the co-operative societies has changed and from that moment a revival of the co-operative movement has been noticeable in Poland. Societies

which remained inactive after the War or since the depreciation of the mark seem now to be renewing their activity.

As evidence of this revival, mention may be made of the formation in Warsaw towards the end of 1924 of the Confederation of the Unions of the Agricultural Co-operative Societies of the Republic which stands at the head of the Polish agricultural co-operative movement. The Confederation has undertaken the work of development of agricultural co-operation, encouraging the activities of existing societies and forming new organizations. It is especially the aim of the Confederation to foster the spirit of thrift among cultivators.

Under the Confederation are grouped the six audit unions already mentioned and the nine Central Co-operative Unions as follows: the Central Bank of the Agricultural Co-operative Societies at Warsaw; the Central Union of Co-operative Selling Organizations, at Cracow; the Union of Milk and Egg Selling Co-operative Societies, at Warsaw, the Union of Egg Selling Societies, at Cracow; the Union of Egg Selling Societies, at Lwow; the Union of Co-operative Selling Societies, at Vilno, and the Union of Co-operative Basket-making Societies, at Lwów.

In this way the Confederation combines under one and the same management 2,200 Stefczyk banks, including about 400 which are not at present in working, 169 agricultural selling associations, 368 co-operative dairies, 27 co-operative egg-selling societies and 54 miscellaneous co-operative societies, *i. e.*, in all 2,800 co-operative societies with nearly 700,000 members.

A journal entitled the "Czasopismo Spółdzielni Rolniczych" is published by the Confederation.

§ 5. THE WAWRZYNIAK POPULAR BANKS AND THE CO-OPERATIVE SOCIETIES CONNECTED WITH THEM.

Wawrzyniak Popular Banks. — The feature which distinguished the Stefczyk banks from the Wawrzyniak popular banks is the fact that the clientele of the former were the cultivators and of the latter the bourgeois class. This difference has continued till the present time. But there are other differences. The Stefczyk banks are in nearly every instance managed without fee, their scope is limited often merely to a village and their subscriptions are quite low; on the other hand with the popular Wawrzyniak banks the

administration is usually paid, their sphere is on a much larger scale, and the subscriptions are higher.

Some account has already been given of the early history of the popular banks. In 1871 the Union of Co-operative Societies was established at Poznan by the representatives of 29 societies. The Abbé Szamarzewski was one of the first directors and among the most active workers in the Union and brought about a considerable development in both the number and importance of the popular banks. It was however his successor, the Abbé Wawrzyński, a director of the Union from 1891, whose work resulted in the full success of these banks, and accordingly they bear his name.

In 1886 a central institute of finance was founded on behalf of the co-operative societies in Western Poland under the name of the Bank of the Union of Co-operative Societies with headquarters at Poznan. The establishment of this bank was a most important factor in the development of the popular banks. According to the statistics published by the Union of the Co-operative Societies at Poznan this Union included:

Year	No. popular banks	with	Total members	(per cent. agriculturists)
1908	172	1	61,188	
1912	197	1	121,876	(67 per cent. agriculturists)
1913	204	1	125,000	(65 " ")
1914	214	1	124,845	(65 " ")
1922	214	1	127,786	(64 " ")
1925	213	1	128,135	(63 " ")

As will be seen from 1913 onwards the number of agriculturist members begins to decrease. The figures of the financial statement are published in the depreciated money values and are therefore not quoted here, the mark not giving any true indication of the present financial position of these co-operative societies. The influence of the popular banks in the progress of the co-operative credit movement in the other districts of Poland cannot be doubted.

The first co-operative credit society which was very similar in character to the popular banks was established in Southern Poland at Lwów in 1860. In 1873 there were 16 of these banks and in 1874 there was founded at Lwów the Union of Co-operative Societies, which in 1875 included 22 credit societies and in 1912, 238 of these societies, 65 per cent. of the members being agriculturists. In 1923 112 credit societies were members of the Union, three-quarters of these being societies with limited liability.

In Central Poland the first co-operative credit societies were established in 1870 at Plock and Warsaw, and were followed in 1873 by societies at Grójec, Kutno and Wiskitki. It may however be said generally that the true development of credit societies in this part of Poland only began in 1905 when the new Russian laws on co-operation were enacted. In 1910 the Co-operative Societies' Bank was founded at Warsaw and in 1919, also in Warsaw, the Union of Polish Co-operative Societies. This Union in 1920 included 120, and in 1922, 147 credit societies with a total membership of 88,702, of whom 2 per cent. were agriculturists. In 1923 there were 145 credit societies, 37 per cent. of the members being agriculturists

Agricultural Selling Associations. — The agricultural selling associations connected with the popular banks deal with the purchase and sale of agricultural produce, artificial manures, farm machines and such other products as the farmer either sells or requires. The first society was organized experimentally in 1891 at Mogilno. Three similar societies were established in 1904, eleven in 1905, and ten in 1906, and according to the statistics of the Union of Co-operative Societies at Poznan, the number of societies in later years was as follows :

61	in 1913	with	9,273	members
63	» 1918	»	8,273	»
67	» 1922	»	9,923	»
72	» 1923	»	11,657	»

The agricultural selling associations are on a basis of limited liability and there is at Poznan a Central Union of Agricultural Associations for Joint Purchase and Sale. Naturally membership in these associations is almost entirely confined to agriculturists.

Miscellaneous Co-operative Societies. — In addition to the popular banks and co-operative sale associations, reference may also be made to nine milk-selling co-operative societies, eight co-operative land distribution societies, four co-operative bakeries, one co-operative sugar refinery, one co-operative slaughter-house, and a number of consumers' societies of which some further account will be given. These societies have been founded with the assistance of the popular banks, and form part of the Union of Co-operative Societies at Poznan. All of these include a certain number of farmer members.

Bank of the Union of Co-operative Societies. — This Bank is a financing centre for all the co-operative societies just mentioned, and is a limited liability company, founded at Poznan in 1886 with a capital of 40,000 marks, which has been gradually raised to a milliard Polish marks. The Bank of the Union of Co-operative Societies was formed in order to assist the popular banks and when first opened it was in fact mainly used by the co-operative societies. After the War, however, owing to the changed political and economic conditions of Poland, the Bank of the Union began to extend its activities over the whole of the Republic and to take an active part in the reconstruction of Polish trade and industry. At the present time the Bank has a special department for the co-operative societies.

It would be useless to quote the figures of the financial statement of the Bank of the Union, as from the values there given, which are expressed in the depreciated currency, it is impossible to form any idea of the financial position of this institution. It may however be stated that that is one of the richest and best worked banks in the country. The Bank of the Union has at present 15 branches in Poland and other countries.

Audit Unions and the Federation of the Unions of Polish Co-operative Societies, at Poznan. — The same causes which brought about the establishment at Warsaw of the Confederation of the Unions of the Agricultural Co-operative Societies of the Republic, have also resulted in the formation of the Federation of the Unions of Polish Co-operative Associations at Poznan at the end of 1924.

The Federation includes the following audit unions: the Union of Co-operative Societies at Poznan, the Union of Co-operative Societies at Lwów; the Union of Polish Co-operative Societies at Warsaw, the Audit Union of the Co-operative Societies belonging to the Farmers' Clubs, at Cracow; as well as the following central co-operative unions: the Bank of the Union of Co-operative Societies at Poznan; the Central Union of Agricultural Purchase and Sale Associations at Poznan; the Central Union for Purchase of Machinery at Poznan; the Wholesale Depot of the Consumers' Co-operative Societies at Poznan, and the Union of Farmers' Clubs at Cracow.

The Federation, as its name indicates, is a bond of union, not only between the agricultural co-operative societies, but between all co-operation in Poland. It publishes a journal called, the "*Poradnik dla Spółdzielni*".

§ 6. CO-OPERATIVE CONSUMERS' SOCIETIES.

The first Polish consumers' co-operative societies were established in 1869 at Warsaw, Plock and Radom. In 1870 a consumers' society was organized at Sambor, in Southern Poland and in 1871 at Krolewski Huta, in Upper Silesia.

In Central Poland, however, distributive co-operation did not begin to develop till 1906, that is to say from the time of the publication in Warsaw of the consumers' periodical "Spolem", edited at that time by Stanislas Wojciechowski, and of the establishment of the Association of Co-operators. In 1909 a Bureau of Information, attached to the Association of Co-operators, was established at Warsaw, which in 1911 was transformed into a Union of Consumers' societies. It thus came about that, whereas in 1903 there were only 68 consumers' co-operative societies in Central Poland, between 1906 to 1908 500 societies were organized, and towards the end of 1913 there were according to official returns 1,250 societies with 110,000 members.

In Galicia 69 consumers' co-operative societies were established between 1871 and 1913. In 1911 the Union of Consumers' Societies was founded in Lwów, and in 1918 the Audit Union of Co-operative Societies attached to Farmers' Clubs. This Union included 159 societies in 1923.

In Upper Silesia the establishment of consumers' societies dates from 1871 and in 1881 there were 27 of these organizations, but the majority of them came to a speedy end. In the other parts of Western Poland it was thought better to leave Polish trade free to develop so as to oust German trade in that part of the country, and accordingly the Union of Co-operative Societies, at Poznan, has only quite recently begun to organize consumers' societies. In 1922 the Union included 43 societies with 91,242 members, 14 per cent. being agriculturists, in 1923, there were 55 societies with 129,453 members, 8 per cent. being agriculturists.

The wholesale depot for these societies is established at Poznan.

Generally speaking, it may be said that the supply difficulties which were the outcome of the great war in Poland have done much to bring about the development of co-operative distribution. Audit unions of the consumers' societies have been established in a number of towns in Poland. The most important of these is the

Union and Wholesale Depot of the Polish Co-operative Distributive Societies at Warsaw, with which were associated,

in 1913	274 societies with	36,909 members	
» 1918	462 » »	61,063 »	
» 1923	443 » »	242,214 »	

The percentage of agriculturist members in the Union was 45 in 1920, 41 in 1921, 47 in 1922, 36 in 1923.

In the other consumers' unions it is impossible to determine the percentage of agriculturists; it may however be stated that the membership is chiefly made up by the bourgeois class.

There is among the consumers' societies in Poland a tendency to follow the example of the Confederation of the Agricultural Co-operative Unions of the Republic and of the Federation of the Unions of Polish Co-operative Societies, and to form central organizations. The most recent instance of this tendency is the establishment of a joint wholesale depot in Warsaw by the Union and Wholesale Depot of the Polish Co-operative Distributive Societies and by the Union of the Workers' Consumers' Societies.

In conclusion and to sum up it may be said that the War and the depreciation of monetary values mark a crisis in the history of the agricultural co-operative movement in Poland. Very great changes have in consequence come about both in the economic position and the actual nature of the Polish agricultural co-operative societies, and at the same time their centralization has become essential. Hence it is that practically the whole of agricultural co-operation in Poland is found to be centralized, at the end of 1924, under two central bodies, the Federation of the Union of Polish Co-operative Societies, at Poznan, and the Confederation of the Unions of the Agricultural Co-operative Societies of the Republic of Poland, at Warsaw.

It is not easy at the present juncture to foresee what will be the results of the work of these two institutions. It is however beyond doubt that virtually the whole agricultural co-operative movement in Poland centres round them, that their definite policy is the further development of the movement and that they are working with the Government in giving practical effect to its financial programme.

ZYGMUNT CHMIELEWSKI
WŁADYSŁAW WILCZEWSKI.

MISCELLANEOUS INFORMATION

International Congresses

The National, and International, Exhibition of New Developments in Urban and Farm Household Management organized at the Institut Normal Supérieur d'Economie Ménagère Agricole de Laeken (Belgium), and the International Meetings held on the occasion.

An important exhibition on the above lines was organized by the Belgian Government at the *Institut normal supérieur d'Economie ménagère agricole de Laeken*, near Brussels, from 15 July to 5 August 1925.

The different sections of the exhibits were housed in the premises of the magnificent school of Laeken in accordance with their various purposes: the laundry equipment in the laundry, the cookery utensils in the kitchen, etc. The first section included the apparatus for machine milking, dairy equipment generally and separators, the second section consisted of the exhibits of a number of firms manufacturing farm equipment; the third section was an up to date kitchen, in the fourth and fifth were shown the machinery and materials for washing and ironing, the sixth was given up to needlework; the seventh contained all the requisites for the upkeep and cleaning of the house, in the eighth were exhibited good models of hygienic fittings such as should be in more general use in the country: baths, showerbaths, water-closets, household medicine chests, first aid equipment sets. The ninth section was devoted to training through family life. A children's room in the tenth section called for special attention with its educational material ready for the young inmates and in a large hall there was a collection of literature bearing on the subject supplied by the *Ligue de l'Education familiale*. The eleventh section illustrated the organization of household work with a view to economy of labour. The twelfth was the section of the small home industries, and displayed tools for small carpentry or metal work, painting, varnishing and enamelling, plastering, whitewashing, installation of electricity, upholstery, india-rubber work, shoemaking and saddlemaking, glazing, framing, book binding, etc. In the thirteenth or bibliographical section were shown books dealing with household and agricultural work. Special mention may here be made of an interesting series of books written expressly for farmers' wives and the students of the rural household management schools, under the title of the Young Farmwoman's

Library (*Bibliothèque de la jeune fermière*). In the fourteenth or documentation section, an attempt had been made to collect so far as possible all information on equipment of every kind which was not exhibited. This took the form of photographic reproductions and particulars as to food values, prices, etc., drawn up in large charts and classified in relation to the sections of the Exhibition. A collection of Cinema films likely to be useful in rural household management instruction constituted the fifteenth section, and were shown every day to the public. The two following sections were devoted, the first to plans of rural dwelling houses and farms designed from the point of view of good internal arrangements and of the enhancement of the beauty of the country side, while the second section dealt with the laying out of the modern village. Finally the eighteenth section was given up to the question of household occupations from the point of view of output, hygiene and the aesthetic value of the movements involved. For this purpose a certain number of particulars had been collected in respect of several series of household occupations, consisting of charts showing for any particular occupation the equipment and accessories essential, the space that should be allowed for its proper accomplishment, the right methods to be followed, the most effective series of working movements, the hygienic conditions, time required, output, etc. For a certain number of the occupations, the normal time had been fixed by means of comparative diagrams drawn up on the basis of the practical work of the students of the Laeken Institute.

On 14 July, the day before the opening of the Exhibition, the final trials of the competition for the Good Farmhousewife's Cup (*la coupe de la vaillante fermière*) were held. Since 1922 this competition has been open to all the pupils of the farm household management schools of Belgium. The competition consists of preliminary tests in each province, with a final trial in which the girls who stand first in their provinces for quickness, quality and finish of work compete.

A meeting of the International Committee on Household Management Instruction was held at Brussels on 16 July at the Palais des Académies. It was resolved that the next International Household Management Congress should be held in Rome in October 1926, and that at this Congress the present position of household management instruction should be examined, including the question of the age at which it should be given, the stages to be followed, the special objects of this instruction as practised in different countries, as well as the question of the organization of household work, a subject on which Mlle. Bernage gave a very striking lecture. The report of this meeting will be published in the Review "*Mon Chez Moi*", 30 Rue de Saintes Pèrs, Paris, and a copy will be sent to the International Institute of Agriculture.

On 17 July the International Committee on Home Training met and M. Pien, the treasurer of the organization, read a very interesting paper of M. S. Renault, who was unable to be present, on the extension of instruction in the elements of home training at all stages in the different countries, and on the steps taken and the results obtained for the building up of the capital required for the development of the International Institute of Home

Training. The Committee resolved to hold in Spain at a date to be fixed later, the next International Congress on Home Training. The report of this meeting will be published in the *Revue de l'Education familiale* 14, Rue Victor Lefèvre, Brussels.

On the next day 18 July, the meeting of the International Committee of Farmwomen's Clubs took place under the presidency of Mme. la Baronne de Grombrughe de Picquendaef. Mlle de Vuyst, the general reporter to the meeting, read a fully documented report on the progress of Farmwomen's Clubs in the different countries and on the measures to be taken for their encouragement. This report will be reprinted in the *Bulletin du cercle d'étude des cercles de fermières*, published by the *Institut supérieur d'économie ménagère agricole de Laeken*.

The most important object of the meeting was however the discussion of the draft statutes for the International Committee of Farmwomen's Clubs. The following statutes have been adopted, subject to confirmation at the next International Congress.

" 1. An International Committee of Farmwomen's Clubs was instituted by the first International Congress of Farmwomen's Clubs, held at Ghent in 1913.

" The following rules have been approved by the international meeting in Brussels on 18 July 1925.

" 2. The Committee declares that it respects the independence of the unions of Farmwomen's Clubs as regards their special objects, whether religious or political. The intention of the Committee is:—

" (a) to federate the Farmwomen's and Rural Housewives' Clubs, the Rural Home Training Leagues, the committees for the study of rural life in all countries and to safeguard their special interests ;

" (b) to promote international and national Congresses of Farmwomen's Clubs in accordance with the constituent regulations of the first Congress already quoted, to co-operate in their organization and to establish relations between them and a spirit of collaboration ;

" (c) to give practical effect to resolutions adopted by these Congresses ;

" (d) to make a collection of all documents relating to the welfare of the rural family ;

" (e) to make known in all countries the principles of proper farmhouse and farm management and of rural home training.

" 3. The Committee is formed on the basis of membership of four persons for each country. These members are appointed by the International Congresses of Farmwomen's Clubs which are organized by the Committee and under its patronage.

" The Committee also includes representatives of the Governments in the proportion of one representative for each country and also representatives of the National Federations approved by the Committee.

" Societies or Committees connected with agriculture and grouped in national federations approved by the Committee may arrange for their representation by representatives for each federation.

" The Office of the Permanent Committee consists of the Chairman,

the Vice-Chairman, a general secretary, two assistant secretaries and a treasurer.

" 5. The Committee may appoint honorary members and approve also affiliated members; members appointed under articles 3 and 4 have rights of discussion only but not of voting.

" 6. The funds of the Committee are made up by subsidies from the public authorities, private donations and members' subscriptions;

" The contribution made by the affiliated federations is at the rate of at least 50 francs per annum and per delegate. It is 250 francs at least for each government belonging to the Committee.

" The members' contribution is 20 francs, which is optional in the case of honorary members and members appointed by the International Congresses.

" The Organizing Committees of the Congresses are asked to estimate in their budgets for part of the propaganda expenses undertaken by the International Committee on behalf of the proposed Congresses.

" 7. The Committee shall meet as far as possible during the time of the International Congresses. It shall decide as to all action to be taken for giving practical effect to the objects of the Committee.

" 8. The Office shall be responsible for the execution of these resolutions and the ordinary business.

" 9. The headquarters of the Office is in Brussels "

The Committee for the Embellishment of Rural Life met on 19 July with M. Graftieu in the chair. A report by Baron Forgeuf, Director at the Ministry of Industry and Labour, was first read on the subject of the uses of electricity in country districts and on the measures taken and to be taken to bring the full benefit of the application of electricity to the country. This was followed by a statement made by Baron de Cartier d'Yves, inspector to the Ministry of Agriculture, describing the measures taken and to be taken to improve social life in the country and thus to check the rural exodus. The report of this important meeting will appear in the *Bulletin of the Commission de l'embellissement de la vie rurale*, 40 Rue des Joyeuses Entrées, Louvain.

The foreign delegates had the opportunity of admiring the rural household management teachers training work at the Laeken Higher Training Institute and also the travelling instruction, which was represented by the famous caravan school of the devastated regions, which was by a happy inspiration transported to the Exhibition and might with advantage be sent all round the world as a model example of ingenuity and practical commonsense. On 20 July a visit was made by the delegates to the provincial household management school of Rivierenhof, near Antwerp, which is just finished and is a complete realization of the type to which a rural household management school for girls of the middle class should conform. The Governor of the province made a point of being present at the reception, and himself did the honours of the institution with the help of the teaching staff. The interest of the visitors was so sustained, and their questions so numerous that the time arranged for the visit proved too short and the train that ought to have carried the travellers back to Brussels had already

left Antwerp while they were still lingering amid the attractions of the Rivierenhof school.

The important part taken in the Laeken Exhibition by the Netherlands, Hungary, Poland, Czechoslovakia, etc., still remains to be mentioned. The Governments of these countries had sent important delegations, which took a very active share in the international meetings referred to above. Italy, though not taking any part in the Exhibition, had sent an official delegation, whose contributions to the discussions were proof of the interest taken by the Italian Government in the subjects on the agenda. Several countries, such as Finland, France, Algeria, Great Britain, though not sending official representatives were unofficially represented by duly qualified persons.

Co-operation and Association

BRAZIL

The Co-operative Movement — MENSAGEM APRESENTADA AO CONGRESSO NACIONAL NA ABERTURA DA SEGUNDA SESSÃO DA DECIMA SEGUNDA LEGISLATURA PELO PRESIDENTE DA REPUBLICA ARTHUR DA SILVA BERNARDES. 1925. *Diario Oficial*, No. 10. Rio de Janeiro, 4 May 1925 — RELATORIO APRESENTADO AO DR. MIGUEL CALMON DU PIN E ALMEIDA, MINISTRO DA AGRICULTURA, INDUSTRIA E COMMERCIO POR ARTHUR TORRES FILHO, DIRECTOR DO SERVIÇO DE INSPECÇÃO E FOMENTO AGRICOLAS. ANNO DE 1922. Ministerio da Agricultura, Industria e Commercio. Rio de Janeiro, 1924. — ANNALES DO PRIMEIRO CONGRESSO DE CREDITO POPULAR E AGRICOLA REALIZADO NO RIO DE JANEIRO AOS 19 DE MARÇO DE 1924. Rio de Janeiro, 1924. — LES COLONIES COOPÉRATIVES DE PÊCHE AU BRÉSIL. *Informations Sociales*, No. 10, Geneva, 8 December 1924. — GOBBATS (Dr. Celeste): A Cooperação na Agricultura especialmente no Rio Grande do Sul. Porto Alegre, 1922. — ORTIGÃO (Ramalho): Progresso da cooperação no Brasil. *Gazeta da Bolsa*, No. 14. Rio de Janeiro, 13 April 1925 (1).

The co-operative idea first found expression in Brazil at the Congress organized at Rio de Janeiro in 1903 by the National Society of Agriculture at which the necessity for the organization of trade-unions and co-operative societies was enunciated. The *Lavoura*, the organ of this ancient and important agricultural Brazilian institution, devoted several pages to the

(1) Information on the co-operative movement in Brazil has also been communicated to the Bureau of Economic and Social Intelligence by Dr. DEOCLECIO DE CAMPOS, Delegate of Brazil to the Permanent Committee of the International Institute of Agriculture.

subject of the advantages of association in agriculture. In a paper read to the above Congress Dr. Silvio Rangel, an enthusiastic student of the subject, made the following statement : " In the co-operative system lies the solution of the problem of the production and the marketing of the products of Brazil. Through it we shall gain the power to make use of a volume of wealth, hitherto unutilized ". This view had already, in the same year, found a certain recognition in the Decree No. 979 of 6 January, whereby the unions formed between persons practising agriculture and the rural industries for the protection of their common interests were declared to be of public utility.

This decree was followed a few years later by the Federal Decree, No. 1,737, of 5 January 1907, which was of fundamental importance on the subject of the trades-unions and the co-operative societies. Subsequently by the Decree of 27 August 1920 (2), instructions were issued as to propaganda and the organization of these bodies

As a result of this group of measures the co-operative movement in Brazil has had certain interesting applications particularly marked in the field of rural credit the need for which is strongly felt for the purposes of encouraging cultivation and marketing of products. A faithful and effective exponent of this need has been found in the Brazilian senator M. Adolfo Gordo, chairman of the Legislative Commission attached to the Federal Senate, who in a report prepared for the International Parliamentary Trade Conference held in Rome in April 1925 advocated a mortgage system under which it would be possible to ascertain with certainty the ownership of lands, to arrange a mortgage by a rapid and simple procedure and to obtain the prompt payment of the guaranteed credit. He introduced resolutions urging an extension of rural credit, the encouragement of the system of agricultural pledges, the provision of credit by the State in cases where capital was not forthcoming and the farmers were not successful in obtaining loans for long periods on favourable terms. Certain steps have been taken in this direction by public authorities (1), but the most promising movement is that among the farmers themselves who with the support of the *Serviço de Inspeção e Fomento Agrícolas* have established a number of co-operative credit societies in the form of rural banks of the Raiffeisen and the Luzzati popular bank types.

The Co-operative Credit Societies. — In the Federal District the centre of the movement is the Bank of the Federal District (*Banco do Distrito Federal*), which was founded on 19 February 1919, and is a kind of provincial bank for the co-operative credit societies, representatives of the rural banks and of the popular banks being members of the Council of Administration.

The following figures referring to the position on 31 December 1923 will give an idea of the importance of this institution of popular credit, which has in addition a department for co-operative propaganda.

(1) In the recent Message of the Governor of the State of Bahia, Dr. FRANCISCO MARQUES DE GOES CALMON, it is interesting to note the reference to the energetic work done by himself for the extension of rural credit in connection both with production and distribution.

Paid up capital	609,290	<i>milreis</i>
Deposits	1,213,453	"
Reserve fund	93,449	"
Outstanding loans	1,208,234	"
Guaranteed current accounts	267,197	"
Securities banked on account of third parties	1,213,566	"
Cash in hand or at bank	438,246	"

The Bank grants loans to the rural banks up to 10,000 milreis at an annual interest of 6 per cent.

At the beginning of 1924 the number of rural banks in Brazil was 47 distributed as follows :

Rio Grande do Sul, 19 ; Rio de Janeiro, 17 ; Federal District, 4 ; Parahyba do Norte, 2 ; Minas Geraes, 1 ; Espirito Santo, 1 ; Sergipe, 1 ; Pernambuco, 1 ; Acre, 1.

In the State of Rio de Janeiro special mention may be made of the New Freiburg Bank, which was established in July 1908 and has served as a model for the others. Its steady progress and general success are shewn by the following figures : the deposits on current account amounted in 1924 to the sum of 11,483,033 milreis as against 6,372,294 in 1923, 4,418,935 in 1922, 2,914,839 in 1921 and 1,880,314 in 1920. Fixed deposits in the same years amounted to 893,569 ; 574,611 ; 559,819 ; 404,962 , 278,810 *milreis*. The loans amounted to 6,512,257 *milreis* in 1924 ; 3,851,370 in 1923 ; 2,620,349 in 1922 ; 2,137,125 in 1921 and 1,040,761 in 1920.

From the report for 1924 it appears that this Bank has a reserve fund of 212,230 *milreis* and that on 31 December in that year there were in the Bank, a sum of 540,608 *milreis* bonds of its holding to the value of 204,860 *milreis*, and trading bills, loans on current account and mortgages for 2,200,339 *milreis*. All the industrial and agricultural activity in the various districts is closely bound up with the existence of the Bank.

Mention may also be made of the rural banks of Bom Jardim with 117 members ; of Cantagallo, with 91 members ; of Nictheroy, with 55 members ; of San Fidelis ; of Quissaman, with 56 members. The last named since 1911 has made loans on current account for a sum exceeding 350 *contos de reis*, and up to 1923 had carried out other transactions with members, including the discounting of various securities, for a sum of more than 600 *contos de reis*.

The law No. 1630 (12 November 1919) of the State of Rio de Janeiro awards a premium of 5,000 *milreis* to the banks which show the best results.

The rural banks of the State of Rio Grande do Sul form another important group. Some of these banks carry on credit operations only, while others undertake, in addition to credit, production and the purchase and sale of produce. Some particulars regarding the position of the former type on 31 December 1923 are subjoined :

	Liabilities			
	Assets	Deposits	Re-serves	Profits
	<i>milreis</i>	<i>milreis</i>	<i>milreis</i>	<i>milreis</i>
Bank of Porto Alegre . .	721,774	666,727	38,400	16,647
" " Venancio Ayres .	1,995,202	1,915,274	66,902	2,551
" " S. José do Herval.	1,030,309	968,166	52,543	9,149
" " Bom Principio .	826,304	779,118	36,315	10,571
" " Santa Cruz . . .	824,818	821,294	2,738	—
" " Poço das Antas .	618,589	573,570	45,019	—
" " Novo Hamburgo.	153,616	152,367	999	—
" " Santa Maria. . .	103,091	98,542	2,567	—
" " Serro Azul . .	917,843	882,148	25,158	7,087

In any account of the rural banks reference should be made to two recent laws, one of the State of Pernambuco dated 28 May 1923, No. 1,588, the other of the State of Parahyba do Norte, dated 30 October 1923, No. 539. The former law authorized the establishment of a *Carteira de Crédito Movel Agrícola*, the purpose of which is to make loans for the benefit of agriculture, the stock breeding industry and the rural industries generally, and also provided for the grant to every new rural bank of a suitable subsidy to meet installation expenses. The second law enacted that the sum of 10 *contos de reis* should be made available for the first bank set up in any township, for a period of four years, without interest. This sum is to remain definitely assigned to the bank, as a fund of reserve, provided that within the prescribed period it has made loans to the agriculturists for a sum of not less than 100 *contos de reis*.

In the State of Bahia the Governor has recently provided for the formation of a *Comissão Central das Caixas Rurales* with the object of carrying on an active propaganda in favour of the Raiffeisen societies; of facilitating their working by regularly supplying to their managing committees instructions and information, and of proposing to the Government legislative measures for encouraging the development of agricultural credit in the State.

The work of the rural banks is supplemented in the larger centres by the popular banks, of which there are 10 in the State of S. Paulo, 5 in the Federal District, 3 in Ceara, 2 in Rio de Janeiro, etc. The first to be formed as a result of the activity of the Catholic Centre of Brazil, was the Banco Popular do Brasil the membership of which on 31 December 1923 had reached 2,780, while the capital was 736,739 *milreis*, deposits 2,539,370 *milreis*, guaranteed current accounts 120,800 *milreis*, cash in hand and at banks 152,031 *milreis*, and reserves 216,673 *milreis*. This bank has granted 13,158 loans since its foundation for a total of 24,728,751 *milreis*. The Popular Bank of Petropolis, founded in October 1919, has also, according to the report of the Inspectors of Agriculture, shown satisfactory development. It has a capital of 164,889 *milreis* and a reserve of 38,282 *milreis*.

The deposits have increased as follows: in 1919, 13,000 *milreis*; in 1920, 35,000; in 1921, 65,000; in 1922, 371,000; in 1923, 1,776,000; in 1924 (18 March), 2,300,000. Loans amounted in 1919 a 19,000 *milreis*; in 1920 to 249,000; in 1921 to 252,000; in 1922 to 662,000; in 1923 to 3,231,000. Mention may also be made of the Popular Agricultural Banks of Sobral, in Ceará, and of Vargem Grande, Mogy-Guassú, Franca, Araras, Jaboticabal, Descalvado, Pirassununga, Palmeiras, in the State of S. Paulo.

The *Serviço de Inspeção e Fomento Agrícolas* summoned in March 1924, by agreement with the Bank of the Federal District, the first Congress on Popular and Rural Credit for the discussion of the problem of credit for agriculture. The Congress was attended by representatives of all the popular banks and rural banks, either already existing in the country or in course of formation. Among the various reports made on the conditions of rural co-operative credit in the various States of Brazil mention may be made of the report of Plácido Modesto de Mello, chairman of the Federal District Bank, who discussed the relations which ought to exist between the popular banks and the rural banks. He maintained that co-operation, being a voluntary movement, should be independent and that the State ought to confine itself to giving its assistance mainly in its initial stages; the societies themselves should have the responsibility for all supervision.

At the end of last July the second Congress on Popular and Rural Credit was held at which attention was called to new developments in co-operation and a growing interest in this type of agricultural credit which is gradually proving itself particularly suited to the needs of the rural class. Confirmation of this view is to be found in the Message presented to the National Congress on the occasion of the opening of the second session of the Twelfth Legislature by the President of the Republic, Arthur da Silva Bernardes, who reported on the very encouraging development of certain rural banks and others recently established, the annual turnover of which is already some ten thousand contos, and which are doing a real service to the life of the townships in which they are at work.

Co-operative Societies for Production and for Purchase and Sale. — The most striking examples of these types are to be found in the State of Rio Grande do Sul, where from 1905 onwards an active propaganda had been carried on behalf of agricultural unions, the management of which had been regulated by the Federal Decree, No. 979 of 6 January 1903. On the other hand in January 1907, the Central Government issued the Decree No. 1,637 already quoted, in favour of rural co-operative societies in general. In addition to these measures, which had far-reaching effects and were very favourably received, the State of Rio Grande do Sul passed a special law: No. 133, of 30 November 1911. By this law important privileges were granted to the agricultural co-operative societies; real property acquired by the societies either for their offices or for buildings intended for the manipulation or storage of produce is declared exempt from the tax on conveyance of property; exemption for ten years from the land tax is granted on lands belonging to these societies on which are built the installations for production, as well as on vineyards consisting, in the opinion of experts,

of the best kinds of vine. These societies enjoy for a similar period exemption from the business tax and, in the case of those which export wines, etc., from the export tax. Societies using wood as fuel are exempt from the usual tax. The law referred to also granted large premiums in money for three years from the date of the passing of the law, the premiums being graded in accordance with the nature of the product, to co-operative vine-growing societies, societies for the production of fruit, dairy produce and lard ; rural credit co-operative societies and their respective unions are also declared exempt from taxes for thirty years.

On the basis of these liberal measures it was possible to organize, in a little over a year, a number of agricultural co-operative societies, most of them owning their own plant and machinery, for making wine or lard, or for the preparation of pork products, the manufacture of cheese and other milk products and the collective sale of fruit and cereals. These early co-operative enterprises however met with no small difficulties, more particularly from the absence of persons possessing the necessary practical experience. This initial period of instability was however followed by another, in which satisfactory results could be obtained, thanks to the propaganda carried out and the keen interest of the authorities. During this stage besides the rural banks already mentioned, certain types of societies made their appearance which displayed marked activity and vitality. Thus at Kronenthal in the Cahj district an agricultural co-operative society was formed at the end of 1911 the object of which was the establishment of warehouses for the storage and sale of members' produce, the refining of lard, the manufacture of butter and wine making.

In 1912, 1913 and 1914 a number of agricultural co-operative societies were formed mainly with a view to the improvement of the tobacco cultivation. These societies like the rural banks showed steady development. Some were societies with unlimited liability, others with limited liability, with shares from 50 to 100 *milreis*. They undertake purchase and sale of goods, preparation and sale of colonial produce and especially of tobacco. As a rule every member is obliged to purchase new shares for a minimum sum equal to half of the dividends he draws. The directors give their services free but salaries are paid to the manager and the experts who are responsible for valuing the produce delivered by the members.

During the last few years societies of this type have opened large grain warehouses for the use of members and others. Some, for example the societies of Linha S. Cruz and Boa Vista, have several branches.

The Riopardinho co-operative society has 80 members and stores from 5 to 6000 *arrobas* (1) of tobacco in its own large warehouses. It has an owned capital of 86,000 *milreis*.

The Sinimbu co-operative society has 75 members, collects yearly from 8 to 9,000 *arrobas* of tobacco and manufactures from 60 to 70,000 kilograms of lard ; it possesses also a large warehouse for the use of members, where goods are handled to the value of 70 to 80,000 *milreis*,

The membership of the Boa Vista society is 148, and in 1921 about

(1) An *arroba* = about 15 kilogrammes.

3,000 *arrobas* of tobacco were sold ; a warehouse is attached whence are sold every month 3,000 *milreis* worth of goods.

The membership of the Linha S. Cruz society is 104 and in 1921 8,000 *arrobas* of tobacco were sold and from 40 to 50,000 kilogrammes of lard. This society also has a large warehouse under its own management.

Co-operative societies of this kind exist also in other townships, while in some places there are co-operative wine-making societies. Thus in the town of Caxias the co-operative society of the same name, founded in October 1911 has a membership of nearly 800 members, with a share capital of 80,000 *milreis* and a yearly turnover of 400,000 *milreis*. The main object of the society is the joint manufacture of wine and of brandy from the wine lees, the wine and other produce of the members is sold through the society and purchases are made on their account of sulphate of copper, spraying materials and all requirements for carrying on the cultivation of vines and the making of wine. Ten million litres of wine are produced annually.

The Nova Trento co-operative society also has its headquarters in Caxias. This society was founded in 1911, had a share capital of 50,000 *milreis* and a turnover of 400,000 *milreis*. Like the other society, it undertakes the making of wine and of brandy from the wine lees, pressing the grapes of the members and selling their wine. The wine-making plant of the society is sufficient for the handling of 2,000,000 kilograms of grapes. The average dealt with each year in the joint manufacture of wine is 1,000,000 kilogrammes of grapes. The society also owns ten hectares of land used for experimental purposes.

In the township of Bento Gonçalves the agricultural co-operative society of S. Marcos, founded in 1916, is engaged in the bottling of wine and the collective sale of the produce of its 36 members. It has a turnover of 700,000 *milreis*, including the business done by the branches at S. Pedro, Linha Jansem and Sartorino.

The co-operative society *União dos Agricultores de Barração*, founded in 1920, with a capital of 140,000 *milreis* and a turnover of 500,000 *milreis*, is engaged in the preparation of pork products, the value of which is close on 100,000 *milreis* yearly, and in the manufacture of cheese, wine and brandy from the lees. It also sells other produce of the members, and has a members' distributive store and a workshop for the repair of farm implements. In 1921 the society exported 2,000 bags of wheat, 700 bags of linseed and 200 cases with a total quantity of 10,000 kilogrammes of nuts.

In the township of Bento Gonçalves is found the wine-making society of San Antonio, which was formed in 1920 for the handling of the members' grapes and the collective sale of the wine.

In the localities where stock-breeding is carried on on a large scale, joint undertakings have come into existence in recent years for the preparation of salted meat (*xarqueadas sociaes*), and co-operative refrigerating societies organized by the breeders.

While omitting for the sake of brevity any mention of other societies, it should be noted that the prevailing type is that of societies with mixed activities, operating, that is to say, at one and the same time, in the sphere

of production, and joint purchase and sale. At the present time the need is strongly felt by the rural classes not only of extending these various kinds of co-operative societies to centres where there are no societies in existence, but of introducing new types, in particular those which undertake to make joint purchases of all agricultural requisites, while provision is also being made for the grouping of societies into regional and State federations for the discharge of such functions as are most conveniently assigned to organizations of the second degree (1). Very valuable assistance has been given and is given to the accomplishment of this vast scheme for the encouragement of the co-operative movement in the State of Rio Grande do Sul by the *Ensino Ambulante de Agricultura* of the Engineering School of Porto Alegre. This institution established a co-operative distributive society which was opened in August 1921 and has now a capital of 90,000 *milreis*, its sales in the first half of 1922 amounting to a sum of 156,000 *milreis*. Its special achievement, however, will be the projected foundation of a *Banco de Credito Agricola e Pastoral* which will come under the Federal legislation and have an initial capital of 500,000 *milreis*. Membership will be open to every farmer, landowner and tenant whether rent-paying or profit sharing. Its object will be to make loans exclusively to the rural industries, and it will also be expected to encourage the organization of co-operative societies, by giving them financial assistance.

Co-operative Fishing Colonies. — These are of recent formation, but are already completely organized and developed along lines that promise well with a large measure of encouragement from the Federal Government itself. They have arisen all along the littoral, are subject to the provisions of the Decree of 5 January 1907 on vocational unions and on co-operative societies. By the terms of the Decree on Fisheries of 25 October 1923, a "colony of fishermen" means any group of at least forty fishermen. It is intended to form a bond of union between the members and to make provision for the mutual aid, education and general welfare of themselves and their families. At the beginning of 1924 there were 140 co-operative fishing societies distributed as follows among the various States of Brazil:

Rio de Janeiro	43	Alagoas	5
Bahia	16	Sergipe	4
S. Paulo	14	S. Caterina	2
Para	13	Rio Grande do Norte	2
Cearà	13	Parahiba do Norte	2
Federal District	9	Espirito Santo	2
Paraná	9	Pernambuco	1
Rio Grande do Sul	5		
		Total	140

(1) The greater number of the co-operative societies are included in the Brazilian Federation of Co-operative Societies (*Confederação sindicalista cooperativista brasileira*).

The number of members is 21,059 and of the boats 9,011. The total value of the material purchased amounts to 23,932 *milreis*.

From January 1921 credit for fisheries has been arranged through a Fishery Loan Fund (*Caixa de Socorros de Pesca*), working alongside of the General Confederation of Fishermen (*Confederação Geral dos Pescadores*) with headquarters at Rio de Janeiro. The object of this fund is to supply to the members of the fishing colonies all requisites for their industry at the lowest possible prices, to make loans for the purchase or the repair of boats, the purchase of fishing tackle, the erection, restoration or equipment of warehouses intended for the preparation or preservation of fish products, etc.

The main sources on which the Fund draws are annual grants made by the Government, monthly payments made by the fishermen and the colonies and percentages on certain loan operations, and on some of the business operations. Requisites for fishing and for the allied industries are purchased direct from the centres of production on the most favourable terms as to price and quality, and are handed over to the Confederation, to the colonies or to individual fishermen for cash or on credit. The Fund or Bank accepts deposits on current account, and pays interest at special rates. On 31 August 1924 the deposits thus paid in amounted to 21,246 *milreis*. One half of the net profits as shown in the annual balance sheets is paid into the reserve fund, and half goes to establish a special fund for propaganda, education and grants in aid.

The activity of these societies is of a varied nature, and ranges over all the social and material interests and needs of the fishing people. Through their agency the fishermen obtain the support of the authorities in fixing the price of fish, and sales are frequently effected by organization on the part of the societies of direct means of transport to the centres of consumption. A broad characteristic of their activity is the success of their efforts to prevent illiteracy. All colonies have one or more schools, for example the colony of S. Francisco do Sul has 14 schools, and all schools are in receipt of grants from the Government under the Law of 31 January 1923, No. 4,632; they also publish journals for the protection of class interests and generally interest themselves in the improvement of the fishing grounds, with a view to the introduction of technical methods and obtaining increased profits.

From this rapid survey of some aspects of the co-operative movement in Brazil it appears that the propaganda work which has been faithfully and steadily carried out has given definite and valuable results. It is highly significant that, as has been seen, the legislation of certain States (Pernambuco, Parahyba, Rio de Janeiro, etc.) and of the Federal Government contains provisions which favour in a generous spirit the establishment and growth of the co-operative societies and that the Governments are doing all in their power to support the movement and thus to make the associated energies of the agriculturists in Brazil of real benefit to the members.

DENMARK

Extent to which Danish Farmers participate in Co-operative Organizations. — Communication made to the International Institute of Agriculture by its Official Correspondent at Copenhagen, the "Bureau de Danemark de l'Institut International d'Agriculture".

General Survey. — At the time of the Agricultural Census of 1923 an enquiry was made as to the extent to which Danish farmers participate in the more important co-operative undertakings. Regard was had to the varying size of the farm holdings, and one-fifth of the total number of communes was taken into consideration, the selection being so made as to give a really useful survey for the whole country.

In the case of the majority of the agricultural organizations under consideration, enquiries had already been instituted at an earlier date, in 1909 and in respect of some, in 1913. No statistics had however been drawn up as to the extent of the membership of the societies for purchase of forage and fertilizers.

The general data as to the part taken by the co-operative organizations in agriculture have been entered in Table I (page 352). The districts of North Schleswig are somewhat markedly differentiated from the rest of the country in a number of ways and accordingly have been given a special place in this table, except for the year 1923, in respect of which they are classed with the other districts. The figures of the table show what percentage of farms or of stock in each group, or of the farms taken as a whole, may be found to be attached to the corresponding co-operative societies.

Since 1909, there has been a steady decrease in the number of the stock-breeding societies, on the other hand the cow testing societies have increased, and there has also been an increase in the number of the co-operative organizations, that is to say, of cattle export societies and co-operative dairies. As from 1909 onwards these dairies already included 86 per cent of the farms, the advance in their numbers is relatively small. Only a little more than one-fifth of the farms, however, joined the societies for the sale of eggs, and the membership entries of these organizations have not shown much increase, while even the quantity of poultry owned by them has fallen off somewhat in relation to the total stock of poultry in Denmark.

In the districts of North Schleswig the membership of the co-operative dairies and of the cow testing societies is nearly as large as it is in the rest of Denmark, on the other hand the membership of other co-operative organizations is much less in that part of the country.

Co-operative Dairies. — The increase of the numbers joining co-operative dairies which has taken place from 1909 onwards has come about essentially at the expense of the collecting dairies which have actually lost members. There are also much fewer farms which are not on the books either of a co-operative or of a collecting dairy. On the other hand,

TABLE I. — *Membership of the Co-operative Societies.*

Number of farm-holdings and of head of stock attached to co-operative organizations as shown below, in percentage of all the farms and all the live stock		All Denmark	Districts of Northern Schleswig	The whole of Denmark, exclusive of Northern Schleswig		
		1923	1923	1923	1909	1903
		%	%	%	%	%
Co-operative dairies	Farms	89.5	85.6	89.8	87.3	—
	Cows	86.2	87.2	86.1	84.4	81.4
Collecting dairies	Farms	4.6	3.0	4.7	6.9	—
	Cows	6.0	4.3	6.1	8.8	—
Cattle export societies	Farms	11.2	0.6	12.0	4.7	—
	Cattle	17.6	0.8	19.2	8.7	—
Cow testing unions	Farms	12.9	12.2	13.0	7.3	—
	Cows	26.6	25.4	26.7	18.1	14.0
Co-operative abattoirs	Farms	69.4	22.6	72.9	52.7	—
	Pigs	75.4	32.0	80.7	65.7	52.8
Egg-selling unions	Poultry Farms	21.5	11.1	22.2	22.2	—
	Fowls and Chicks	25.9	13.8	26.5	29.1	32.6
Cattle breeding societies	Farms	14.7	4.4	15.4	17.1	—
	Cows	18.8	9.5	19.6	24.1	—
Pig breeding societies	Pig Farms	2.6	0.2	2.7	4.1	—
	Pigs	3.8	0.8	4.2	6.7	—
Horse breeding societies	Farms	12.5	9.3	12.7	16.3	—
	Mares	24.4	17.6	24.9	30.7	—
Forage purchase societies	Farms	31.2	8.6	32.8	—	—
	Cows	33.4	11.6	35.2	—	—
	Pigs	35.1	15.9	37.5	—	—
Fertilizer purchase societies	Farms	24.3	2.1	25.9	—	—
	Area	28.8	2.8	31.6	—	—

the number of cows owned by farmers who are not members of any such organizations has increased, which shows that the larger farms sell their milk to an increasing extent direct to the towns. As the following table shows, the larger farms are precisely those which do not belong to any co-operative dairy nor to a collecting dairy.

The above statement is of more importance in respect of the Danish Islands than of Jutland.

The very small farms are usually even less associated with the dairies than the small average-sized farms, but there is no very marked difference in this respect.

On the whole membership of the co-operative dairies is rather less common in the Islands than in Jutland, especially if the number of cows taken into consideration. In Jutland, 90 per cent. of the farms and

TABLE II. — *Proportion of Membership of the Co-operative and Collecting Dairies.*

Size of the farms	Belonging to co-operative dairies		Belonging to collecting dairies		Not belonging to either type	
	Farms	Cows	Farms	Cows	Farms	Cows
Hectares	%	%	%	%	%	%
0.55— 1.7 . . .	83.5	83.1	5.8	5.4	10.7	11.5
1.7 — 3.3 . . .	88.6	89.3	4.7	4.5	6.7	6.2
3.3 — 5 . . .	89.9	90.4	4.4	4.6	5.7	5.0
5 — 10 . . .	89.3	89.7	5.0	5.2	5.7	5.1
10 — 15 . . .	91.0	91.6	3.7	3.9	5.3	4.5
15 — 30 . . .	91.2	91.1	4.1	4.5	4.7	4.4
30 — 60 . . .	90.2	89.5	4.2	5.1	5.6	5.4
60 — 120 . . .	82.4	80.8	6.5	7.2	11.1	12.0
120 — 240 . . .	60.0	48.9	21.2	24.8	18.8	26.3
240 and over . . .	33.3	29.9	10.7	17.3	50.0	52.8
Total . . .	89.5	86.2	4.6	6.0	5.9	7.8
In the Islands . . .	88.2	80.7	5.0	7.0	6.8	12.3
In Jutland . . .	90.3	89.9	4.3	5.3	5.4	4.8

the same percentage of cows are on the books of some co-operative dairy or other, while in the Islands the proportion is 88 per cent. and 81 per cent. respectively.

Societies for Export of Cattle. — Membership of this type of society has doubled since 1909. The societies however include only 11 per cent. of the stock farms and 17 per cent. of the cattle. The membership is almost identical in the Islands and Jutland, but it will be noted that there are very few members in Northern Schleswig. The *Husmaend* are very seldom members of these societies, which recruit the majority of their members from the farm holdings of ordinary size taken up by peasants, as appears from the following table (see Table III, page 534.)

It should be noted that even as regards the connection of the largest farms with the societies, it is the proportion of the number of cattle which is high rather than the percentage of the farms themselves. Probably this is due to the fact that these societies include very many farms where there are a large number of heifers, or where calves and cattle turned out to grass in summer are relatively numerous.

Cow Testing Societies. — These societies have made and are continuing to make very marked progress, and in 1923 included 12 per cent. of the dairy farms and 27 per cent. of the total number of cows. Membership is more general in the Islands than in Jutland. In the Islands the testing societies deal with 18 per cent. of farms and 36 per cent. of the cows,

TABLE III. — *Proportion of Membership of Cattle Export Societies.*

Size of farms	Farms with cattle	Number of cattle
Hectares	%	%
0.55- 1.7	1.8	2.1
1.7 - 3.3	3.2	4.1
3.3 - 5	5.2	6.1
5 - 10	7.9	10.0
10 - 15	12.4	15.2
15 - 30	16.5	18.9
30 - 60	20.7	23.2
60 -120	17.6	19.0
120 -240	14.3	14.7
240 and over	15.3	16.7
Total	11.2	17.6
In the Islands.	10.0	16.7
In Jutland	11.9	18.1

while in Jutland this is only the case with 19 per cent. of the farms and 20 per cent. of the cows. The extent to which the *Husmaend* farms join these unions is very limited, while membership increases in proportion to their size, a fact illustrated by the following table :

TABLE IV. — *Membership of the Cow Testing Societies*

Size of the farm holdings	Farms with cows	cows
Hectares	%	%
0.55- 1.7	1.7	2.4
1.7 - 3.3	2.8	3.9
3.3 - 5	3.9	5.0
5 - 10	5.6	7.1
10 - 15	9.7	12.4
15 - 30	19.6	24.5
30 - 60	32.3	39.2
60 -120	43.8	51.7
120 -240	50.6	56.8
240 and over	56.9	57.7
Total	12.9	26.6
In the Islands.	17.9	35.6
In Jutland	10.0	20.7

Co-operative Abattoirs. — Since 1909 there has been a development of these organizations and as 69 per cent. of the stock-breeding

and fattening farms as well as 75 per cent. of the pigs, are connected with them, they are likely shortly to attain a predominance similar to that actually achieved by the co-operative dairies. They account for 80 per cent. of the total products of the exporting abattoirs, and the same percentage of the export of live animals. In the islands where these societies embrace nearly 73 per cent. of the pig fattening farms with 83 per cent. of the total head of pigs, the proportion of these animals is higher than that of the cows connected with the co-operative dairies, in relation to the total number of the animals. If the case is not the same with the number of the farms, that is due to the fact that a number of the holdings — especially the smaller ones — only keep one pig which is intended for consumption by the household itself, and in consequence they do not join the co-operative abattoirs. As in the case of the co-operative dairies, however, the larger farms refrain from joining, and if the percentage increase of the farms where stock-breeding and fattening are carried on is greater than that of the animals, this proves that the increase in membership is accounted for chiefly by the smaller farms. The largest membership is found among the farms of 5 to 60 hectares, as will be seen from the following table :

TABLE V. — *Membership of the Co-operative Abattoirs.*

Size of the farm-holdings Hectares	Farms with pigs	Pigs
	%	%
• 55— 17	38.7	45.6
17 — 33	58.7	64.0
3.3 — 5	65.7	70.5
5 — 10	71.5	76.3
10 — 15	72.1	76.5
15 — 30	74.8	79.2
30 — 60	74.6	77.8
60 —120	67.8	68.7
120 —240	57.0	56.5
240 and over	40.6	55.9
Total	69.4	75.4
In the Islands.	72.5	82.6
In Jutland	67.6	71.1

It appears that even for the large farms the proportion of the number of pigs is higher than is that of the number of the stock-breeding and fattening farms, although the farms mainly concerned in pig breeding nearly all become members.

Egg Selling Societies. — In spite of the important economic interest which has attached to egg production in recent years, these societies have not made much progress since 1909; they are joined more readily in the Islands than in Jutland, the reason for this being that in the Islands,

in addition to the *Dansk Andels Egeksport*, numerous co-operative abat-toirs have organized the export of eggs on a co-operative basis. In the Islands, about 33 per cent. of the farms on which poultry-keeping is carried on belong to co-operative egg-selling societies and own about 34 per cent. of the total number of fowls; in Jutland these percentages are respectively 15 and 17. As regards the varying extent of these farms, it may be stated that the proportion of the smallest holdings as well as that of the farms of 60 hectares is less than that of the total holdings.

TABLE VI. — *Membership of the Egg Selling Societies.*

Size of the holdings	Farms with poultry	Fowls
Hectares	%	%
0.55- 1.7	18.6	22.6
1.7 - 3.3	24.4	28.6
3.3 - 5	21.0	25.3
5 - 10	21.1	26.2
10 - 15	20.0	24.5
15 - 30	21.3	25.9
30 - 60	23.1	27.2
60 -120	19.1	22.3
120 -240	15.0	17.1
240 and over	16.7	25.5
Total	21.5	25.9
In the Islands,	32.5	34.4
In Jutland	14.7	17.4

Breeders' Societies. — There has been no serious reduction in these since 1909; this is true both of the societies of cattle and horse breeders, and also of those engaged in pig-breeding. These last societies have never had a large membership. As regards the cattle-breeding societies, the reduction in the extent to which they are used is more marked in respect of the number of the cows than of the number of farms with cattle on them. This proves that it is the large farms which have withdrawn from membership, and the same thing may be said of the pig breeding societies. On the other hand exactly the contrary is the case in regard to the horse-breeding farms, so that the reduction in the number of the associated farms here may be referred to the smaller farms.

Taking it as a whole, the membership of the breeders' societies is higher in Jutland than in the Islands. In respect of the horse breeding societies, this is equally true of the small as of the large farms, as more importance is attached in Jutland to breeding. As regards the cattle breeding societies, this same fact is only true of the farms of over 15 hectares, and the difference is especially noticeable in the larger

farms. As it is to be assumed that membership of cattle breeding societies is closely connected with the number of cows, the reason for this difference is to be found in the fact that in Jutland there are, in contradistinction to the Islands, more calves and fewer cows, while as the soil is less fertile the same area cannot support as many animals.

Membership of the cattle breeding societies is largest in the farms of from 19 to 69 hectares and consequently among the farmers of average means. This is also true of the pig breeding societies. It may cause surprise that the small farms do not join the societies more readily, but the reason is that these farms do not attach the same importance to breeding even for their own consumption, for they are too small to be able to keep anything but cows. The horse breeding societies draw their members chiefly from the farms from 30 to 240 hectares, although they have a high number of entries also from the large farming undertakings and from the small holdings of 15 to 30 hectares. This will be clear from the following table.

TABLE VII. — *Membership of the Breeders' Societies.*

Size of the farms	Horse breeding societies		Cattle breeding societies		Pig breeding societies	
	Farms	Mares	Farms	Cows	Farms	Pigs
Hectares	%	%	%	%	%	%
0.55— 1.7	1.0	0.9	3.0	3.5	0.6	2.0
1.7 — 3.3	1.2	1.1	4.0	4.6	0.4	1.3
3.3 — 5	0.9	1.0	7.5	8.4	0.8	1.2
5 — 10	1.8	2.2	10.8	12.0	1.5	2.4
10 — 15	6.2	8.0	18.2	20.7	3.2	3.9
15 — 30	10.7	25.2	22.4	23.8	4.5	5.3
30 — 60	37.4	43.1	23.3	24.0	4.2	4.3
60 — 120	40.5	41.3	17.9	16.9	3.0	2.4
120 — 240	35.4	39.1	11.8	9.7	—	—
240 and over	27.1	31.1	5.6	5.1	—	—
Total	12.5	24.4	14.7	18.8	2.6	3.8
In the Islands	8.6	18.2	12.0	15.2	1.9	3.1
In Jutland	14.8	29.1	16.3	21.3	3.0	4.2

Co-operative Societies for the Purchase of Forage and Fertilizers —

Up to the present time, there had been no statistics of the membership of these two classes of co-operative organizations. Societies for the purchase of forage include about one-third of all the farms, and also one-third of the total number of cattle, pigs and poultry. The membership is much larger in Jutland than in the Islands, where a very small proportion of the large farms join the societies probably because they devote them-

selves mainly to the sale of wheat, and consequently have frequent dealings with the grain dealing firms. The nucleus of these societies consists of the ordinary peasants' farm holdings, the large and very small holdings being rarely members.

The societies for the purchase of fertilizers, which include only one quarter of the farms and a somewhat larger fraction of the agricultural area, have also made rather more progress in Jutland than in the Islands although the difference is less marked than in the case of the forage societies. This difference is easily intelligible since the small farms buy a good deal of forage but not much chemical fertilizer. As regards the large farms, the opposite is the case.

TABLE VIII. — *Membership of the Societies for Purchase of Forage and Fertilizers.*

Size of farms	Societies for purchase of forage			Societies for purchase of fertilizers	
	Farms	Cows	Pigs	Farms	Area
Hectares	%	%	%	%	%
0.55- 1.7 . . .	12.5	18.2	16.6	4.6	5.2
1.7 - 3.3 . . .	20.9	24.1	24.2	10.8	11.4
3.3 - 5 . . .	26.9	29.3	29.6	16.5	16.7
5 - 10	31.3	34.1	34.6	22.2	22.6
10 - 15	35.5	38.4	38.4	28.5	28.5
15 - 30	38.0	39.0	40.0	35.0	35.2
30 - 60	37.6	37.5	38.6	33.9	33.8
60 -120	25.3	24.2	23.4	26.2	25.1
120 -240 . . .	10.0	6.0	7.1	10.6	9.9
240 and over	1.4	2.0	2.7	4.2	5.3
Total . . .	31.2	33.4	35.1	24.3	28.8
In the Islands . . .	22.5	23.4	27.8	20.2	24.5
In Jutland	36.5	40.1	39.6	26.9	30.0

GERMANY

1. **The Central Co-operative Bank of Prussia in the first Financial Year after the Stabilization.** — *Deutsche landwirtschaftliche Genossenschaftspresse*. Year 52, No. 7, Berlin, 15 April 1925. — GESCHAFTSBERICHT DER PREUSSISCHEN ZENTRALGENOSSENSCHAFTSKASSE ÜBER DAS 30 GESCHAFTSJAHR VOM 1. JANUAR 1924 BIS 31 DEZEMBER 1924. Berlin, 1925.

The depreciation of the currency left the agricultural credit organizations without any proper financial basis. Following on stabilization the credit needs of the whole system of organized co-operation became markedly apparent, while it was impossible to meet these requirements from internal resources and to bring about as before the War an almost complete balance between surplus and deficits. Recourse to external help was essential;

and this was chiefly given by the *Reichsbank* and the *Rentenbank*. The intermediary for these credits was in nearly every case the Central Co-operative Bank of Prussia (*Preussische Zentralgenossenschaftskasse*).

At the end of 1924, according to the financial statement of the Bank of Prussia for that year, loans to the amount of nearly 800,000,000 *Reichsmark* had been distributed and at the end of March 1925 the credits were apportioned as follows among the separate groups of co-operative societies :

1. Co-operative societies, mainly agricultural in character	726,600,000 R. M.
2. Co-operative societies, mainly urban in character	89,000,000 R. M.
3. Other types	102,000,000 R. M.
	—
Total . . .	917,600,000 R. M.

As a rule all the credit operations of the Central Co-operative Bank of Prussia in 1924 were carried out by means of bills of exchange. Only as deposits accumulate is there a return, although a slow one, to credits on current account. In the total stated above, in addition to the loans of the Central Co-operative Bank, are also included a large proportion of loans of another character, particularly the many special loans (*Sonderkredite*), which have been made available for agriculture on various occasions by the governments of the separate States. On 29 October 1924 the Administrative Committee of the Bank of Prussia was already showing itself opposed to these loans, as they created difficulties in the establishment of a sound credit policy in connection with the central and individual co-operative societies.

Without the credit assistance of third parties, especially that of the *Reichsbank*, and without the guarantee of the State governments it would not have been possible for the Central Co-operative Bank of Prussia to carry out its credit operations in the circumstances described above. It was in fact thanks to this external assistance that the co-operative system, with the support of its strong central organization was able to overcome the difficult crisis of the inflation and its effects.

The year 1924 brought with it the complete transfer of owned capital into gold marks. The Prussian State fully paid up its investments to the sum of 30,000,000 R. M. The unions and federated banks of the registered co-operative societies and similarly placed institutions, which have commercial relations with the Prussian bank include 33 agricultural and 15 urban organizations with a capital of 32.8 million gold marks of which 20 % is fully paid. The total of all the owned capital amounted, after making the payments decided upon (and an assignment from the profits of 1924), to 69 million gold marks against 85.6 million marks before the War. The turnover amounted in 1924 according to the financial statement to 26 milliards of gold marks as against 17.7 in 1913. For the first quarter of 1925 it already amounts to 13 milliards of R. M. The most active branch of business was that in bills of exchange. The number of bills discounted in 1924 reached approximately 886,400, i. e. more than eight and a half times the figure of the last year before the War.

Although the sphere of operations of the Central Co-operative Bank of Prussia was considerably extended by the addition of certain agricultural federated banks whereby the agricultural co-operative system in all its aspects and in all parts of the *Reich* became closely connected with the central bank, it was possible to reduce considerably the number of the employees. At the end of 1924 the total number was only 759 as compared with a staff of 1,143 at the end of 1923.

This reduction was in the first place made possible by the falling off of the abnormal work necessitated by the inflation.

The federated banks and the individual co-operative societies have, as is clearly shown by the financial statement, worked during the past year for their own reconstruction. Business transactions have been everywhere placed on the gold mark basis; the credit associations, of which a considerable number suspended operations during the period of inflation, have resumed activity with the help of the federated banks and of the Central Co-operative Bank of Prussia. The owned capital of the central credit associations (*Zentraldarlehnskassen*) which stand in the position of customers to the Bank of Prussia, amounts after the transformation of the monetary standard to 113 million gold marks with a guaranteed liability of 763 million gold marks, no account being taken of the ten of thousands of individual co-operative societies, built up on the unlimited liability of the individual members.

For the first time there appears in the 1924 balance the item "shares taken up" (*Beteiligungen*), to a total of 5,250,000 marks. According to the amended terms of constitution of 28 January 1924 the Central Co-operative Bank of Prussia may take part in other undertakings, and on a number of occasions advantage has been taken of this authority. Hence the Bank has now taken shares to the total of 4,992,000 marks in the German Co-operative Mortgage Bank, the share capital of which amounts to 5 million gold marks, in the German *Golddiskontbank* to a total of 182,500 marks (meanwhile transformed into *Reichsbank* shares) and in the Provision of Dwelling Houses Company on behalf of its employees to the amount of 79,050 marks.

F. J. R.

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2. **The Co-operative Agricultural Warehouses in Bavaria East of the Rhine.** — *Deutsche landwirtschaftliche Genossenschaftspresse*. Year 54, No. 11. Berlin, 15 June 1925.

According to a detailed study by Dr. Hohenegg on the co-operative agricultural warehouses in Eastern Bavaria, which describes more particularly the historical origin and the economic working of the warehouses, in 1924 the number of co-operative warehouses in Eastern Bavaria has reached a total of 448.

Position in 1924.

Proprietors, tenants or managers	Number of warehouses
1. Bavarian Central Credit Association	182
2. Middle Franconian District Credit Association, Ansbach . .	14
3. Central Agricultural Credit Association for Germany (Nuremberg branch)	14
4. Central Agricultural Co-operative Association of the Bavarian Farmers' Union for Purchase and Sale, Regensburg	128
5. Agricultural Federation for Swabia	19
6. <i>Reichslandbund</i>	6
7. Federation of Independent Warehousing Co-operative Societies in Bavaria, Straubing	25
8. Unfederated (so far as known)	33
Total	448

These warehouses are almost exclusively for the storage of miscellaneous products, or so-called general warehouses, in contradistinction to the special type as represented by some part of the North German grain warehouses or the North American grain elevators.

Large elevators of this kind were established to the number of 37 only in Prussia between 1897 and 1902 and for the most part at great expense. The State and the co-operative societies were jointly interested in their erection.

In South Germany from the first a system of smaller and less expensive warehouses was preferred. The origins of these co-operative warehouses are traceable to the societies for the sale of cereals, which naturally develop their own storehouses or granaries for the better organization of the sales. The first co-operative warehouse of this type was erected in Bavaria in 1895, the cost price of 4,778 marks showing that it was only on a small scale. At an early stage the Government became interested in the matter of warehouses and from the first State subsidies and short term loans at 1 to 2 % interest were allowed. As a rule the subsidies amounted to 11 % and the advances to 50 % of the total cost of a warehouse. Hence in Bavaria east of the Rhine there were already in 1899 65 agricultural co-operative warehouses in existence. The total expenditure amounted to 813,894 marks, to which the State contributed in single grants 87,300 marks and in loans 378,670 marks. These warehouses were founded by credit associations, as well as by co-operative warehousing societies formed for the purpose and by agricultural district unions. The State granted subsidies only on condition that the warehouses were open to non-members as well as members of the societies, were insured against fire, installations for cleaning and sorting the produce were provided, and their business was regulated by the articles of constitution and trading rules. In addition the State placed at the disposal of the warehouses land for construction of private railway lines.

During the thirty years' working of the Bavarian warehouses four stages of development as regards method of handling goods may be distinguished. At first, by the "lien" or "simple negotiatory system", 35 to 90 per cent. of the presumed value of the cereals was paid to the consignor in cash or a warrant was delivered against the goods consigned, which in case of need could serve as the basis of a loan. This system became modified when as a result of trade competition on the part of co-operative institutions, the ordinary traders made concessions to the producers and also took to making cash payments. A contributory cause was the fact that the warehouses in consequence of the lien system got into difficulties when prices fell and were unable after the first instalments to make further payments. The warehouses in consequence adopted the system of purchase at fixed prices. The introduction of this system involved a transfer of the risk from the consignor to the co-operative society and moreover made a large trading capital and wide business experience on the part of the managers essential. The individual co-operative society was not equal to these calls, and the third phase quite naturally followed, under which the central co-operative society took over the possession and management of the warehouses. The latter thus profit by the greater capacity of the central societies both as regards finances and staff, by the possibility of a better balancing of supply and demand (*Konjunkturausgleich*) and by the closer contact effected through the central societies with the wholesale dealer and the markets. From this stage of the incorporation of the warehouses into the larger framework of the co-operative trade in goods it is only a step to the fourth stage, *viz.*, the construction of warehouses by the central societies themselves. At this point the central societies assumed the commercial and technical direction of the whole system of co-operative trading.

Since 1914 no further State aid has been given by the Bavarian Government. According to the article, to which reference is here made, the warehouses have had very little influence on the prices quoted on the exchanges.

P. J. R.

FINLAND

The Finnish Central Union of Agricultural Producers. — From a note by S. MATSSON, General Secretary of the Union.

The Finnish Central Union of Agricultural Producers was established on 18 September 1917 at Helsingfors. The object of the organization is to protect the economic and social interests of the farmers of Finland, to settle labour disputes in agriculture, and to work for the improvement of the condition of farm labourers.

The members of the Central Union are the local Societies of Agricultural Producers, established in the different communes. The membership of these local Societies includes both individual farmers and farmers' associations. In 1923 the number of the local Societies was 262, grouped into District Unions, each Society sending representatives to the meetings

of its District Union. The District Unions, of which there were 13 in 1924, are affiliated in their turn to the Central Union. About 80 per cent. of the members of the organization are farmers, 17 per cent. being small holders, 40 per cent. owners of holdings below medium size, 28 per cent. owners of medium-sized holdings, 12 per cent. owners of holdings above medium size and 3 per cent. owners of large estates.

The activity of the Central Union of Agricultural Producers is based solely upon the support given by the farmers and their trade. The member's annual subscription varies from 25 *pennies* to one mark per hectare of cultivated land. 25 per cent. of this contribution goes to the District Union, and from 25 to 50 per cent., as fixed each year by the local Society, to the Central Union.

The total amount received in members' subscriptions by the Central Union is at present only 30,000 marks. The co-operative dairies have in recent years set aside out of their surplus funds an annual contribution of 50,000 marks towards the funds of the Central Union. The annual contributions made by the central agricultural depots and other similar undertakings amount to about 100,000 marks. About 400,000 marks have been received from the farmers in the form of guarantee subscriptions.

As a result of the new economic legislation and of all the enactments following on the recognition of the independence of Finland, the attention of the Central Union has been specially devoted to all the questions of importance to agriculture on the economic side. Thus the fixing of the principles for the communal taxation of land, in accordance with the actual conditions, is dealt with by the Central Union every autumn. The valuation required for calculating the income and property tax, due to the State, is also considered every year.

The Central Union has emphasized the necessity for protecting agriculture by means of equitable customs legislation. Tariff questions have been discussed by special committees and by meetings attended by deputies from the different political parties, enquiries have been made, pamphlets distributed, and a series of reports and proposals submitted to the Government.

The Central Union has endeavoured to give direct support to agriculture by a series of economic and political measures, and has proposed an increase in the credits in favour of agriculture. The progress of the State budget has been carefully followed, and points of importance to small holders have been dealt with by a special committee.

In addition, the organization is responsible for the establishment of a number of local farmers' undertakings, co-operative dairies, stores, forestry societies, societies for the sale of live stock, etc. It has taken part in the establishment of several central depots, and has consistently worked for the promotion of the home trade in agricultural produce. Weekly market and price quotations are compiled. Steps have been taken to improve railway transport conditions and railway tariffs.

The Union has also endeavoured to encourage the export of agricultural produce, and special attention has been paid to the question of appointing agricultural agents abroad.

GREAT BRITAIN AND NORTHERN IRELAND

1. **The Agricultural Co-operative Movement in 1923 and 1924** (1).—REPORT ON CO-OPERATIVE MARKETING OF AGRICULTURAL PRODUCE IN ENGLAND AND WALES. (A SURVEY OF THE PRESENT POSITION). London, 1925. — AGRICULTURAL CO-OPERATION IN THE BRITISH EMPIRE. PART I: PRELIMINARY SURVEY. PART II: REPORT OF CONFERENCE HELD AT WEMBLEY, JULY 28-31, 1924. London, 1925. — REPORT OF THE SCOTTISH AGRICULTURAL ORGANISATION SOCIETY FOR THE YEAR FROM 1ST JANUARY TO 31ST DECEMBER 1923. Edinburgh, 1924. — REPORT OF THE ULSTER AGRICULTURAL ORGANISATION SOCIETY, LIMITED, FOR THE YEAR ENDED THIRTY-FIRST MARCH, 1924. Belfast, 1924. — *Journal of the Ministry of Agriculture*, Vol. XXXI, Nos. 6, 7. London, September, October, 1924. — *Ministry of Labour Gazette*, Vol. XXXII, No. 11. London, November 1924. — *Agricultural Gazette*, Vol. C, Nos. 2040, 2041. Vol. CI, No. 2676. London, 1, 5 August 1924, 17 April 1925. — *North British Agriculturist*, Vol. LXXVI, No. 40. Edinburgh, 2 October 1924. — *Economist*, Vol. C, No. 4,256. London, 21 March 1925.

The year 1924 witnessed two events of considerable significance for the agricultural co-operative movement. One was the dissolution of the Agricultural Organization Society and the transference of its work to the National Farmers' Union, and the other the holding of the Conference on Agricultural Co-operation in the British Empire which took place in London at the end of July. At this Conference representatives from the different parts of the British Empire met to discuss the problems of agricultural co-operation and to exchange views and experiences regarding the co-operative movement.

During the prolonged period of agricultural depression which has followed the War both the agricultural co-operative movement as a whole as well as the individual societies have been severely tested. They have been going through a period of transition, experiment and readjustment, but they have been acquiring experience and knowledge which will be of great value in the future. Apart from this the increased interest now being taken in co-operation is very noteworthy, as, for example, the Conference on Agricultural Co-operation and the preparation and publication by the Ministry of Agriculture of England and Wales of a very serviceable Report on the co-operative marketing of agricultural produce (2). The Conference afforded for the first time an opportunity for the exchange of opinions between those in Great Britain interested in co-operation and

(1) This account does not include information relating to the Irish Free State nor separate information for Wales as such is not to hand. Such information will be given in this *Review* as soon as available. For accounts of agricultural co-operation in the different parts of the British Isles during the period 1922-23 see this *Review*, Vol II, Nos. 2, 3, 4, April-June July-September, October-December, 1924, pages 262, 433 and 597, respectively.

(2) A brief summary of this Report is given on page 548.

those in the Dominions overseas, and it showed to British farmers the high degree of organization, especially for marketing purposes, attained by farmers in the Dominions.

England. — The dissolution of the Agricultural Organization Society took place during the latter part of the year after a period of activity extending over nearly twenty-five years. For some years past the Society has had difficulty in obtaining the funds necessary for carrying on its work, and the position became worse when the Government grants were reduced in 1921-22 and discontinued after 1922-23, for the difference was not made good by the affiliated societies. Another factor of considerable importance in connection with the decision to bring the Society to an end was the growth in importance of the National Farmers' Union. The Union is now a powerful organization and commands the support of the general body of farmers throughout the country, and it had become difficult for the Agricultural Organization Society to maintain itself as an independent and representative body. It was felt too that under existing circumstances there was no room for any other central body such as the Society. The view was accepted that co-operation must be a farmers' movement, a movement by farmers for farmers, and that it must spring from within not be imposed from without. From this point of view the National Farmers' Union was obviously the organization to concern itself with the development of co-operation. Negotiations were therefore commenced and it was decided that the National Farmers' Union should set up a Co-operative Advisory Committee with a special department to carry on the organizing and advisory work of the Agricultural Organization Society. This committee was set up in October 1924. Some part of the work of the Society will pass to the Ministry of Agriculture.

The Agricultural Wholesale Society, which for several years has sustained heavy losses through its trading activities, has also been wound up.

There has been considerable activity in England regarding co-operative bacon factories. A number of factories have been set up but some have suffered from an insufficient supply of pigs. An unregistered body, known as the Council of English Farmers' Co-operative Bacon Factories has been formed; this council meets from time to time to discuss matters affecting the pig industry. A further development has been the formation of an organization known as the English Farmers' Bacon Agency, registered in June 1924, for the central marketing of the bacon and other produce of the societies.

An important proposal is on foot for the establishment of a Border Farmers' Bacon Factory, in the Border counties of England and Scotland. The factory will be situated at Carlisle, a convenient centre to serve the districts on both sides of the Border. It is estimated that with a capital of £25,000 an average supply of 500 pigs weekly can be dealt with.

Scotland. — Satisfactory progress was made by the co-operative societies during 1923. The number of societies affiliated to the Scottish Agricultural Organization Society at the end of the year 1923 was 201, with a total membership of nearly 14,000.

Both the milk depots and the co-operative dairy societies were

uniformly successful. The dairy societies, of which there are about 20, have adopted the system of requiring members to enter into a definite contract to supply their milk to them for a period of from two to three years; they thus have not suffered from lack of support by their members. Some of the dairy societies did a very large trade; an outstanding case was that of the Galloway Creamery which during 1923 handled 1,952,387 gallons of milk, over a quarter of a million gallons more than in the previous year.

The egg-collecting societies constitute a distinctive feature of co-operative enterprise in Scotland. They have given a great impetus to the poultry industry of the country, especially in the Highlands and Islands where sources of income are relatively few. Side by side with this development has grown a demand for technical advice regarding poultry; this demand is being met by the agricultural colleges and thus commercial advancement and educational work are going on side by side. During 1923 the Scottish Farm and Poultry Federation handled about 7,000 dozens of eggs more than in 1922.

Northern Ireland. — During 1923-24 the Ministry of Agriculture for Northern Ireland devoted a substantial sum to the purpose of forming cow-testing associations. Meetings were held in various parts of the country at which the Ministry's scheme was outlined and arrangements made for local associations to be formed. A number of associations have been set up, some of which are in creamery districts, and it is hoped that in a few years every co-operative creamery will have one or more cow-testing associations operating in its area.

Statistics (relating to Great Britain). — Particulars of the operations of agricultural co-operative societies (1) in Great Britain have been prepared by the Registrar of Friendly Societies from the statutory Returns furnished annually to his Department under the Industrial and Provident Societies Acts and the Friendly Societies Act. The particulars do not include societies registered in Ireland. The societies are dealt with in three main groups, namely, requirement societies, produce societies, and service societies, some of the statistics of which are given in Table 1 (page 547).

The requirement societies include those societies whose principal function is to supply their members with seeds, manures, utensils or other agricultural requirements. The 596 societies of this group in 1923 include 202 farmers' societies in England and Wales and 145 in Scotland (the former having sales amounting to £7,425,742 and the latter sales amounting to £362,746), 200 allotment workers' societies, all of which are in England and Wales, 48 fishermen's trading societies of which 47 are in England and Wales, and the Agricultural Wholesale Society. The 450 societies of this group in England and Wales possessed share, loan and reserve capital amounting to £2,423,000, and the 146 Scottish societies a similar capital of £52,000. This capital represented about £22 per member in

(1) Including also fishing societies, but fishing societies are at present few in number and their operations are on a small scale.

TABLE I — *Statistics of Agricultural Co-operative Societies in Great Britain in 1922 and 1923.*

	Number of societies		Membership		Sales		Profit or loss (—) on year	
	1922	1923	1922	1923	1922	1923	1922	1923
Requirement societies .	636	596	113,823	107,210	8,813,355	(1) 8,336,949	(—) 7,519	(—) 27,633
Produce societies . . .	248	230	38,395	38,000	4,190,533	(2) 3,343,530	11,812	(—) 2,694
Service Societies . .	987	974	176,911	178,036	—	—	(3) 10,185	(3) 9,438
Totals .	1,865	1,800	329,129	323,306	13,012,888	11,680,485	14,478	(—) 20,889

(1) Including sales of produce amounting to £899,842

(2) Including supplies of requirements amounting to £240,059

(3) Exclusive of profit or loss on year for cattle insurance societies and societies formed for the promotion of horticulture and agriculture registered under the Friendly Societies Act, for which particulars are not available

England and Wales, excluding the figures for the Agricultural Wholesale Society, whose membership consisted wholly of other societies, and about £5 per member in Scotland

The produce societies comprise those societies chiefly concerned with the marketing of members' produce and in 1923 included 94 dairy societies, 65 egg and poultry societies, 17 fruit and market garden produce societies, 41 farmers' and growers' societies, and 13 miscellaneous societies. Of this group 148 societies were in England and Wales and 82 in Scotland. The former possessed share, loan and reserve capital amounting to £799,000, or nearly £24 per member, and the latter £266,000, or nearly £60 per member. The high figure for Scotland is mainly due to several large dairy farmers' associations

The third group, the service societies, include societies which supply their members with some service connected with agriculture, e.g., threshing, and also small holdings and allotments societies, credit societies, cattle insurance societies, and societies for the promotion of horticulture and agriculture. Small holdings and allotment societies account for the bulk of the figures tabulated. In 1923 the societies of this group in England and Wales possessed share, loan and reserve capital amounting to £415,000, about £2 7s per member; this low figure is due to the small holdings and allotments societies whose capital per member is proportionately very small. The Scottish societies possessed capital amounting to £83,000, or £27 per member. The number of small holdings and allotments societies, as given in the group of service societies in 1923, was 771 and their membership 153,643. The operations for the year resulted in a surplus of £8,511.

The classification of the above societies by the Registrar was in some cases necessarily somewhat arbitrary as a number of societies deal both in requirements and in produce.

Table II shows sales in 1923 for all societies. In Great Britain 203 industrial societies had farming and dairying departments, the products of which amounted in value to £1,524,000; these figures are also included in the following table.

TABLE II. — *Total Sales of all Registered Agricultural Co-operative Societies in Great Britain for the year 1923.*

	England and Wales	Scotland	Great Britain
	£	£	£
Agricultural Requirements	7,314,293	392,873	7,707,166
Agricultural Produce:			
Milk and dairy	1,717,847	1,190,898	2,908,745
Eggs and poultry	349,535	60,234	409,769
Live stock	430,018	31,443	461,461
Fruit and market garden	155,476	687	156,163
Sundry (including farm produce of industrial societies)	1,421,967	168,060	1,590,027
Total Sales	11,389,136	1,845,095	13,234,231

The amount of the total sales for 1923 represents a decrease of £1,290,000 on the value for 1922, or 5 per cent in requirements and 14 per cent. in produce. Taken all together the societies in 1923 sustained a loss of nearly £20,889, compared with a profit of £14,478 in the previous year. In England and Wales a loss was incurred in 1922 but the amount of loss was almost trebled in 1923. In Scotland the total profit earned in 1923 was only half that of 1922. It must be explained, however, that in England and Wales a much heavier loss was suffered by the Agricultural Wholesale Society in 1923 than in 1922 and two important societies had unsatisfactory results. In Scotland the decrease in profits is attributable largely to two of the dairy farmers' associations.

F. L. T.

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2 The Co-operative Marketing of Agricultural Produce in England and Wales. — REPORT ON CO-OPERATIVE MARKETING OF AGRICULTURAL PRODUCE IN ENGLAND AND WALES. (A SURVEY OF THE PRESENT POSITION). London, 1925.

The Markets and Co-operation Branch of the Economics Division of the Ministry of Agriculture has recently issued a report on the co-operative marketing of agricultural produce in England and Wales, which represents the results of exhaustive investigations into the present position and methods of co-operative societies engaged in the sale of agricultural produce. The Report is confined to co-operation for the sale of produce; co-operation for purchase is to be dealt with separately.

In the Report it is observed that the peculiar feature of co-operative marketing in England and Wales is that in no branch of the agricultural industry has anything approaching a general or national system been developed. There are many instances of successful societies but these are individual achievements and cannot be regarded as evidence of a successful system. Again, there is such great diversity of size, function and method of the societies that no one society can be regarded as typical. As regards the attitude of members to their societies it is stated in the Letter presenting the Report that perhaps the most striking characteristic of co-operative trading in agricultural produce in England and Wales is the failure of members to appreciate the importance of supporting their societies.

In spite of the progress made before and during the War, co-operative marketing of agricultural produce was at the end of the War still a relatively insignificant development. With the cessation of hostilities co-operation made great progress. The Agricultural Organization Society adopted the policy of systematizing the organization of co-operation. It advocated the amalgamation of small societies, the organization of co-operation by areas, and the systematic establishment of societies in order to prevent overlapping and waste. Area organization, it was hoped, would also give the movement prestige and secure the support of the more influential farmers. The year 1920 saw the turnover of the agricultural co-operative movement reach its highest point, the figure being £17 ½ millions; of this £6 ¾ millions represented the sale of agricultural produce, so far as it was separately recorded. Under the stress of the post-War depression and steeply falling prices, however, the agricultural co-operative movement suffered severely, and the hopes of extending it into a movement of national proportions by a special effort in a few favourable years were not realized.

The distribution of the societies throughout the country seems to indicate that there are few areas where co-operative marketing has found conditions peculiarly favourable to its growth, and none where co-operative organization is the characteristic form for the marketing of its produce. This negative result suggests that the backwardness of the movement is due to general causes rather than to the presence or absence of any special economic factors.

The Societies. — Only 17 out of the 63 milk and dairy societies (figures for 1923-24) have contracts with their members and few of those societies which have adopted contracts actually enforce them. The system of membership contracts with its full implications has not, therefore, been given an adequate trial. Few of the dairy societies have had the advantage of a guaranteed supply, and the actual turnover per supplying member in the case of many societies is extremely small. The financial procedure of the societies is not always satisfactory. Loans are mainly raised from members; they are subject to withdrawal and might therefore at any time rise to serious financial disturbance. It would be better if capital which is to be permanently locked up in the acquisition of plant and premises were to be placed on a more secure

footing whether by increased shareholding or by some form of permanent loan. Further, as the Report observes, reserves are not generally provided by societies on an adequate scale with the result that probably the majority of societies are unduly and unavoidably exposed to risks arising from trade fluctuations. One of the most usual causes to which failure among milk societies has been attributed is the practice of paying members for milk at prices not fully justified by the societies' returns; this is partly the fault of supplying members who frequently insist on demanding such prices for their milk that societies are not always able to make a sufficient gross profit on sales to cover their overhead charges. As regards federation, it is noted that apart from an instance in South Wales and one in North Wales no federation of dairy societies for trading purposes exists. The Report states that the existing milk and dairy produce societies can hardly be considered as other than experiments in a new and unfamiliar form of organization, and the stage has not yet been reached when they can be looked upon as having made a positive contribution to the marketing problems of the country.

The egg and poultry societies appear to have no contracts with their members even of a nominal nature, and members deliver eggs at will. Apart from their value as regards regular supply, contracts would also, indirectly but effectively, improve the quality and quantity of the production. There is much to be said for organizing the marketing of poultry and eggs on a commodity basis, each society covering a comparatively wide area. The small egg and poultry society is by itself an inadequate unit for dealing with anything but its own local market; small societies can only undertake wider responsibilities satisfactorily if some form of federation is established.

Little real headway has been made regarding the co-operative marketing of fruit and vegetables. The societies conducting auctions or selling on commission in a consuming centre, or on a central market, suffer from the absence of contracts and they have real difficulty in obtaining supplies, such societies as a rule being too far removed from the districts from which their supplies are mainly drawn to be able to retain the interest of the growers. Local collecting societies, too, need a guaranteed supply if they are to be able to take full advantage of railway rebates and to obtain a sufficient volume of produce to cover their overhead charges. Under existing conditions both the central selling societies and the local collecting societies are obliged to supplement their supplies by purchase in the open market or even by dealing in imported produce. The whole question of growers' contracts, guaranteed supplies, and the possibilities of large scale organization has never been fully explored, and little or no attempt has been made to carry out grading and standardizing on a co-operative basis. It seems that little is to be gained from organization for the sale of fruit and vegetables unless it is carried much further than has so far been attempted.

The live stock auction marts may be started on a lower basis of capitalization than almost any other form of co-operative marketing un-

dertaking, and the actual trading involves the use of very little working capital.

With regard to contracts, it may be impracticable to insist that members should bind themselves to use their own auction marts to the exclusion of any other method of sale, yet an agreement might be entered into between a society and its members by which the members agree that all stock which they sell by auction shall be sold through the society's mart.

In the co-operative slaughterhouses, in general, the share capital is relatively high and ranges up to £80 per member. Relatively little capital is needed to finance actual trading operations as turnover is fairly rapid. The slaughterhouse societies especially suffer from lack of support of their members and lack of regular supplies. Although the existing societies play an altogether insignificant part in the marketing of dead meat it is possible that societies trading on a sufficiently large scale, equipped to deal efficiently with by-products, and adequately safeguarded by membership contracts and a price policy based on actual returns, might fulfil a much wider purpose than is the case at present.

For co-operative bacon factories a much higher degree of capitalization is needed than for most other forms of co-operative marketing; besides expenditure on buildings and equipment capital is also needed to enable societies to pay farmers cash on the delivery of their pigs pending the realization of the bacon. There is no general system of contracts and most societies complain of disloyalty on the part of their members. In the case of one society which has contracts with its members, it is stated that the contracted supplies have been mainly instrumental in enabling the factory to work approximately to the limit of its capacity practically from the date when it commenced operations. The bacon factories have on the whole adopted a more enterprising policy than other forms of co-operative enterprise, perhaps on account of the amount of capital involved or of the far-reaching effect which their success may have on the pig industry generally. The Report states that the question of contracts with members is vital, that the policy of paying members cash for pigs at current market rates is unwise and exposes societies to risks which could be avoided by a more conservative price policy, and that foreign competition can only be met by combining efficient and economical working with a high quality of output.

The capital requirements of the co-operative wool marketing societies, apart from working capital, are small, and the share capital per member varies from about £3 to £6. The wool marketing societies recruit their membership farther afield than do most other co-operative organizations, but as yet they do not represent a substantial proportion of the sheep farmers of the areas in which they work. The districts are wide, however, and it would appear possible for societies to operate on an economic basis even if their membership be somewhat dispersed. The societies follow careful methods of payment to members but have not yet adopted contracts. As yet the wool marketing societies represent

an unimportant part of the total British wool output, but they have considerable possibilities of development.

The co-operative marketing of grain, fodder, seeds and potatoes is carried out by the trading societies. Up to the present no societies have been formed in England and Wales with the marketing of these products as their sole object, but the trading societies have considerably developed this side of their business in recent years. Of the societies, numbering nearly 200, which exist primarily to supply their members with agricultural requisites, more than half market produce and, of these, nearly all deal in grain. The number of societies which handle fodder to any appreciable extent is under 30, while rather fewer deal in their members' seeds or other locally produced seeds. There is no compulsion on the producer to sell all or any of his grain to or through a society. Few, if any, cases exist of bulking or grading being attempted by a society.

Federation. — The association of marketing societies for joint action in dealing with the sale of their produce is as yet only very slightly developed. The present trend appears to be for the various groups of societies to form their own trading federations on a commodity basis, as is the case in most other countries. This has already been partially achieved in the case of bacon, eggs, and dairy produce, whilst a non-trading federation has been set up by the fruit and vegetable marketing societies in one area. The possibilities and advantages of joint action require to be worked out for each class of commodity separately since marketing problems in some cases may afford less scope for federal agency than in others. When a number of sound local societies with similar marketing problems exist in a limited area, regional as opposed to national federation may be more advantageous both as regards organization and sales service. A tendency similar to that of the trading federations is seen in the case of the non-trading federations, each commodity group of societies is tending to develop its own sense of corporate action and express its own view, and to provide such services as its own marketing problems require.

Relation between the Industrial and Agricultural Co-operative Movements. — During the past twenty years repeated efforts have been made in the direction of linking up co-operative organizations of consumers with the agricultural co-operative movement by establishing trading relations between the Co-operative Wholesale Society and its affiliated societies on the one hand and the agricultural societies on the other. By 1914 the total annual value of the intertrading was calculated at about £250,000. A great impetus to this trade was given by the War, and its volume developed very considerably. After the War, however, the position changed somewhat, but at the present time efforts are again being made to increase intertrading. The Linlithgow Committee in its final Report on the Distribution and Prices of Agricultural Produce drew attention to the subject of this intertrade and stated that "the establishment of trading relations between the industrial co-operative movement and the producers' co-operative organizations is a development that

should be continuously explored". Again, at the Conference of Agricultural Co-operation in the British Empire, held at Wembley in July 1924, resolutions were passed stating that "the immediate task before co-operators is to enable bargaining to take place more and more directly between the organizations of co-operating producers and those of co-operating consumers so as gradually to eliminate the control now exercised by the middleman", and that "all federations of agricultural co-operative societies should endeavour to establish close intertrading relations with the consumers' wholesale society." (1).

From the long point of view it may be that intertrading might best develop on a federation basis, that is, the central selling agency of each commodity group of agricultural marketing societies should negotiate on behalf of the group as a whole. As yet, however, federation among agricultural cooperative societies for joint marketing action is only slightly developed; for the present, therefore, intertrading carried on on an area basis between the farmers' and consumers' societies in the same district should be considered.

The 1,400 retail consumers' societies in the country feed approximately one-third of the whole consuming population. They are therefore in a position to offer an assured outlet for the produce of British farms, with the added advantage of a simple and economical system of distribution. In the industrial co-operative movement farmers' organizations have a market which should offer them on the whole trading facilities at least equal to and probably better than those which they can obtain elsewhere.

Review of the Situation. — In reviewing the whole position of the agricultural co-operative marketing movement, the Report states that co-operative marketing in England and Wales occupies a comparatively insignificant position and has as yet made but little contribution to the marketing organization of the country as a whole. It states also that the general course of the inquiry shows conclusively that the successful societies owe the greater part of their prosperity in existing circumstances to good management and especially to good managers, whilst the failures can be more often than not traced to mismanagement.

On the question of contracts the Report points out that if any advance is to be made in the direction of securing regular and definite supplies, a policy of agreements and contracts between societies and their members must be carefully considered. Closely connected with the question of supply is the question of the size of societies. A large number of the existing marketing societies in England and Wales are small local units; these are uneconomic and entirely inadequate to bear market responsibilities unless they are linked up with some large central organ-

(1) At the 57th Annual Congress of the British Co-operative Union, held in June of the present year, a resolution was adopted approving the proposal to establish an Agricultural Department of the Union to aid co-operative societies (i. e. of consumers) "with agricultural interests" and to establish direct trading relations with the agricultural industry.

¹See: *International Co-operative Bulletin*, 18th Year, No. 7 London, July, 1925)

ization. The question of grading and standardization is also connected with that of contracts. For the most part societies leave the whole question of grading and standardization untouched, but they can never achieve any notable advance in that direction without some control over their members' supplies such as would be given by membership contracts.

The price policy adopted by societies towards their members is a source of weakness in many societies. The practice of paying members a sum equivalent to market price for produce at the time of delivery may not only necessitate an unduly high capitalization but it involves a society in a merchant risk which may mean heavy losses on a falling market. A far more stable policy is that of making advance payments for produce, charging the whole cost of service against the proceeds of sale, and leaving the remainder, if any, to be returned to the farmer at the end of defined periods. Another plan followed by some societies is that of making a close estimate of probable expenses and returning to the members in one payment the total amounts actually received for their produce less their proportion of the estimated costs.

The Report states that there is seldom that relation between shareholding, supplies, and total capital requirements which is desirable, and that societies are less concerned with inviting investment than with obtaining credit facilities to enable them to carry on their business to the best advantage. The fact remains that inadequate initial capital, depleted by subsequent losses, has resulted in many societies carrying a burden of bank charges, and obligations in respect of other loans, out of proportion to their turnover. Some societies, too, distribute practically the whole of their distributable profits without making adequate provision for reserves. The remedies are adequate capitalization and the provision of reserves and sinking fund to liquidate loans.

As to the future of co-operative marketing and its adaptability to England and Wales it is probably correct to say that, taken as a whole, there is nothing in British agricultural conditions which is inherently antagonistic to the widespread development of a co-operative marketing system. The acceptance of co-operative marketing must be made by the farmers themselves. The impulse for its future development must likewise come from the agricultural industry itself, and it is representative organizations like the National Farmers' Union which must fulfil the task of co-ordinating local effort and formulating a constructive policy on national lines.

F. L. T.

SPAIN

The Agricultural Associations in 1924. — *Gaceta B. I. C. (Banca, Industria y Comercio)*, No. 84. Madrid, 5 April 1923.

The number of active agricultural association in Spain, in December 1924, was 10,855, according to the official statistics of the Department of Agriculture. They were divided as follows: agricultural syndicates, 5,442; agricultural *pósitos*, 3,537; agricultural associations, 987; rural credit associations, 499; communities of agriculturists, 133; chambers of agriculture

and viticulture, 1-7; agricultural federations, 79; economic associations of "Friends of the Country". 50; and one Catholic Agricultural National Confederation.

The centres round which the greater number of the associations are grouped are Coruña with 415 associations distributed among the parishes, villages and communes; Valencia (371); the Asturias (310), Tarragona (304); Navarra (291); Zaragoza (277); Burgos (268); Lugo (262), León (224) and Lérida (212).

The most important among all these associations is the Catholic Agricultural National Confederation with headquarters at Madrid in which 56 important federations are grouped, including 3,047 agricultural syndicates and rural credit associations. The majority of the rural banks are situated in Navarra.

Although the total number of the agriculturists and stock breeders who belong to Catholic associations is not precisely known, it may be said to reach a figure of half a million.

The General Stockbreeders' Association of the Kingdom (*Asociación general de Ganaderos del Reino*) has 7,900 members. Its headquarters are in Madrid and in addition to provincial organizations it has instituted Councils in more than 4,000 country towns.

Another national institution of great importance is the well known Farmers' Association of Spain (*Asociación de agricultores de España*), with central office in Madrid and a membership of about 195,000 agriculturists.

E. E.

UNITED STATES

Formation of an Institute of Co-operation. — *Official Record*, Vol IV, Nos 18, 20 Washington, D C 6, 20 May 1925 — *Journal of the Ministry of Agriculture*, Vol XXXI, No 8, Vol XXXII, No 1 London, November 1924, April 1925 — *Wallaces' Farmer*, Vol 50, Nos 7, 16 Des Moines, Iowa, 13 February, 17 April 1925

A development of considerable importance to the agricultural co-operative movement is the formation in the United States of an American Institute of Co-operation. This Institute is to be an educational institution and has been set up by the great farm organizations of the country, such as the American Farm Bureau Federation and the Farmers' Union, by the big co-operative organizations, and by the Marketing Bureaux of various States working in close collaboration with the Federal Department of Agriculture. The Institute, which has thus very strong support from both farmers' organizations and State and Federal officials, was incorporated as an educational enterprise under the laws of the District of Columbia in January last. The responsibility and control of the Institute rests not with any Governmental agency but with the farm organizations themselves.

The aim of the Institute is a purely educational one. The promoters state that the general conception of the principles underlying the co-operative movement is vague, uncertain and idealistic and that a more thorough understanding of the theory, history and technique of co-operation is necessary if co-operative principles are to be successfully applied. They

state that "co-operation is being advocated as a business practice by those whose ideas of it are indefinite and varying", and that there is a dearth of reliable information respecting its operations and results, and they lay down that the present need is for "some agency through which the public at large and those especially involved may obtain a better, more uniform and reliable knowledge of co-operation, its history and practical operation".

It is the intention of the founders that the Institute shall serve as such an agency and amongst its objects will be the following: To collect and make available a body of knowledge concerning the co-operative movement in the United States and in other lands; to serve as a means of clarifying thought as to what the co-operative movement really is, and of bringing about more harmony and unity of action among organizations directly or indirectly connected with co-operation; to serve as a means of training and developing leaders and workers in respect to co-operative theory and practice; to serve as a means of assisting educational institutions to improve their teaching courses in co-operation, and to focus the spirit of the co-operative movement as a means of community and national development.

The Institute has the active support of the Federal Department of Agriculture. Mr. Jardine, Secretary for Agriculture, in a letter to the secretary of the Institute, states that it seems that the Institute will give an opportunity for the carrying out of "real, fundamental, educational work covering the basic principles of co-operative marketing" and serve as a place where the many business problems involved can be discussed. He states that he is glad to endorse the idea fully and that he wishes the Department of Agriculture to co-operate with the Institute to the limit of its ability.

The first session of the Institute was held at the University of Pennsylvania, Philadelphia, from 20 July to 15 August, 1925. The topics discussed were as follows:

First Week: Economic Principles and Legal Structures of Co-operation. History of co-operation, ideals of the movement; development of types, possibilities and limitations; status of state and federal legislation; education in co-operation.

Second Week: Organization and Membership Problems. Preliminary market surveys; forms of organization; organization finance; patronage costs; educational work with members; the co-operative and the community.

Third Week: Operating Methods and Management Problems. Source of personnel; business practices; auditing and accounting; marketing finance; warehousing; grading and standardization; methods of pooling.

Fourth Week: Sales Policies and Price Problems. What is meant by orderly marketing?; selling plans for principal commodities; the development of markets; price objectives of co-operatives; selling problems; credits and collections; effect of to-day's price on to-morrow's production.

In addition to students and others in the United States interested in co-operation a number of authorities on co-operation from Europe attended the session.

F. L. T.

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2. Proposed Legislation on Co-operative Marketing (1) — PRELIMINARY REPORT OF THE AGRICULTURAL CONFERENCE MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING A PRELIMINARY REPORT OF THE AGRICULTURAL CONFERENCE ON AGRICULTURAL LEGISLATION 68th Congress, 2d Session Senate Document No 190.

In the autumn of 1924 a committee was appointed by the President of the United States to inquire into agricultural conditions within the country and to make recommendations which might be embodied in new legislation. The committee has issued three reports, dealing respectively with the live stock situation, with agricultural legislation, and with Federal Departments and Agencies related to agriculture.

The committee states, in its report on agricultural legislation, that a "balanced" agriculture should be brought about in the United States, and by this it means a condition in which agricultural production "is kept in step with the demand of domestic markets and with only such foreign markets as may be profitable".

Considerable prominence is given by the committee to the question of co-operative marketing. Special emphasis is laid upon the value of co-operative marketing organizations and the effect which they have upon agriculture, this effect resulting from their organizing the farmers, their economies in handling produce, their standardizing and grading and their system of orderly marketing. The committee favours the development of co-operative organizations without governmental interference or domination but at the same time believes that great help can be given to such organizations through the Government, both as regards initiative and actual assistance, and that marketing associations will benefit by the presence of some Federal agency. With such an agency opportunities would be given for group as well as individual action, based on the voluntary action of all parties concerned.

With regard, therefore, to the needs both of co-operative organizations and of marketing, the committee proposes that a Federal Co-operative Marketing Board shall be set up, which shall serve as a central body to encourage and assist co-operative organizations and to improve and co-ordinate the marketing of agricultural products. The character and work of the Board are outlined in section C of the recommendations given below.

Legislation in accordance with the following recommendations is urged by the committee.

A. General Principles, to be applied upon Voluntary Action by Commodity Marketing Organizations, Producers, and Distributors

(1) For the recommendations of the Conference relating to agricultural credit, see this Review, page 567.

1. For the purpose of promoting equitable and advantageous distribution and disposition of their products, co-operative marketing associations or any of them may pool their products, exchange crop and market information, and make and carry out orderly production and marketing programmes, and for such purposes producers and distributors of such products may co-operate with such associations.

2. Groups of producers desiring to organize co-operative organizations should be given opportunity for application to the Government to make a survey of the distributing problems involving any commodity, and the Federal agency should make recommendation to the applicants concerning the type of organization best suited to their problem, based upon the demonstration of success among other co-operatives or upon other business principles.

3. Commodity marketing organizations upon application to the proper Federal agency and purely as a voluntary act may apply for and be Federally registered upon demonstration of the soundness of financial standing of the organization and an agreement to submit their books to Federal inspection for audit semiannually. This step is proposed for two purposes. First, it gives greater confidence to members in the management and operation of their organizations by supplying them with reliable information from a Government source, information which is comparable to that given from time to time by State or Federal bank examiners to depositors about the condition of banks. Second, from such a system uniform general accounting principles will be gradually developed among co-operative commodity organizations by voluntary action. Furthermore, these organizations should agree that in the merchandizing of their product they will conform to approved standards.

4. The establishment of grades and standards for various agricultural products of the country is essential. In many lines such standards already are established by State or Federal law, and such standards should receive full recognition in all trade dealings, both domestic and foreign, and should be made the basis of settlement of all disputes. In certain cases standards do not conform to the best interests of the producers, and they should have opportunity to make recommendations as to amendments in existing standards. In many cases there are no standards, and in such an event opportunity should be given to establish standards and grades from time to time upon recommendation to Federal authority by producers who represent at least 60 per cent of the product of the industry.

5. Upon application to the Federal agency distributors at terminal markets may create Federally registered exchanges or associations, the members of which shall operate under rules and regulations formulated by them and approved by the Federal authority creating the charter. These rules and regulations shall, among other things, call for recognition of all established grades and standards of agricultural products and arbitration of all disputes under such grades and standards, the guaranty of financial standing of members, and the opening of the accounts of the exchange or association to Federal inspection and audit.

6. Upon application to the Federal agency by an agricultural industry

through its co-operative organization the Federal agency should consider and advise upon the problems confronting the industry in any phase of production, financing or marketing, or upon any other matter which such an agricultural industry may make application for guidance. The Federal agency may call upon any department of the Government for the necessary study of special problems, the furnishing of statistics, or other appropriate action, and should, in conference with the industry, formulate practical solutions for the various problems that may be presented.

B. *Principles applicable especially to Perishables.* The great perishable industry of the country representing the producers of vegetables, fruits, and grapes is at the present time faced with many great problems. For the most part this industry represents an unorganized group of producers searching for opportunity to solve their problems of distribution through contact with their terminal markets. For such purpose, in addition to those mentioned above, the following is recommended :

Co-operative marketing organizations upon application to Federal authority may have the right to create clearing houses, for the purpose of eliminating the oversupply or undersupply in various consuming markets without interference with the restraint of trade laws. Such clearing houses should have the right to freely interchange information upon the volume of the available supplies of their commodity.

C. *Federal Agency under which such an Act is to be administered.* Differences of opinion have appeared among the various Government agencies in their recommendation as to the nature of Federal authority which should administer the principles herewith presented. These differences have been taken into account in the recommendation of the conference. Furthermore, for the proper development of co-operative marketing organizations it is quite apparent that there is need for a central unit which would make available to producers all facilities now in existence and those which might be brought about relating to the different phases of co-operative marketing. Such a unit would act as a co-ordinating agency, and producers' organizations could get in touch with it directly for any help or assistance they might legitimately seek. The conference concludes, therefore, that in the administration of the various principles herein outlined there should be instituted a separate board, as is now the case in industry and banking. This board would be able to use all the facilities of all Government departments and interlock all the problems of agriculture, both those of production with those of distribution.

The board, as far as the majority of membership is concerned, should arise from the commodity organizations themselves by nomination to the President. There should be created a Federal Co-operative Marketing Board of five members, two members to be the Secretary of Agriculture and the Secretary of Commerce, and three others, including a chairman to be appointed by the President, to be nominated by the federally registered co-operative marketing organizations upon the expiration of the terms of the three members first to be appointed by the President. F. L. T

Credit

CANADA

1. **Report on Agricultural Credit.** — TORY (H. M.). Report on Agricultural Credit 14 George V Sessional Paper No. 142. A. 1924. Ottawa, April 4, 1924. — TORY (H. M.): Supplementary Report on Agricultural Credit. 15 George V Sessional Paper No. 152. A. 1925. Ottawa, March 30, 1925.

In the early part of 1924 a report on agricultural credit was submitted to the Canadian Ministry of Finance by Dr. H. M. Tory, President of the University of Alberta. A supplementary report has now been presented by him after further investigation and study of the Canadian rural credit problem. In these two reports important recommendations relating to the improvement of the rural credit system are made.

In the first report Dr. Tory discusses the provision for rural credit abroad, namely, in Europe, in the British Empire outside of Canada, and in the United States. He then examines the provision made in Canada, taking the country province by province, and lastly considers methods for improving Canadian rural credit.

Dr. Tory considers the question of long term credit from the point of view of Canada as a whole and he points out that no organization of a truly Canadian character has yet been developed. He states that the mortgage business, especially in Western Canada, is conducted in an exceedingly expensive manner and that reasonable co-operation between loan companies might greatly reduce the present cost of administration. He emphasizes the value of the amortization principle as regards farm loans and states that there is need in Canada for some organization to co-ordinate the credit which the farmer has to offer in such a way as to make it more attractive to the man who wishes to lend his money at a reasonable rate of interest with proper security. "When it is remembered", states Dr. Tory, "that two per cent., under the ordinary amortization scheme, will amortize a farm mortgage in 20 years, therefore, a reduction of two per cent. in interest is equivalent in 35 years to the capital debt, the significance of the foregoing statement (1) will be apparent".

In order to discover how far mortgage companies were impeded by legal limitations and in order further to discuss the whole matter of mortgage credit, Dr. Tory recommended that a conference should be held between representatives of the mortgage organizations of Canada, the governments responsible for the legal limitations complained of, and the leaders of the farmers' organizations. This conference has now been held (2).

(1) i. e., in connection with reducing the rate of interest to be paid by the farmer-borrower.

(2) See this *Review*, page 563.

With regard to the provision of short term loans, *i. e.* generally speaking, loans for from between six months and three years, Dr. Tory states that the best method for Canada would be, not co-operative action alone, nor direct government assistance alone, but a combination of both these methods. He considers that experience has already shown that a sound plan along these lines could be worked out in Canada under proper supervision and control.

The supplementary report makes definite recommendations regarding the credit system to be established. Dr. Tory points out that a change has taken place in Canada in recent years and that it is much more expensive now to take up a farm than it was some years ago. The free lands within easy reach of the railways have been taken up and a considerable amount of money is now needed to acquire land, apart from buying implements. Canadian farmers too must compete in the markets of the world with countries where complete and ample financial organizations have been created for agricultural purposes. Dr. Tory states that "some immediate improvement in methods of agricultural finance is imperative, if Canada is to maintain her place in world agriculture".

Before making his recommendations Dr. Tory states that the chief handicap associated with credit in Canada is the joint one of high interest rates and short mortgages. He affirms, however, that it is directly and definitely possible by the better organization of credit to remove this handicap and that low interest rates and the amortized mortgage would go a long way towards stabilizing agriculture. He suggests that there is needed in Canada "a financial institution definitely designed to deal with agricultural problems", and that financial organizations should be created to deal solely with the credit needs of agriculture.

Dr. Tory reviews several methods by which a system of long term mortgage credit could be set up in Canada, namely, through the existing mortgage companies; through the organization of a great joint stock company based on the principle of the *Crédit Foncier* of France; by adopting the principle of the United States Farm Loan Board and establishing Land Banks distributed suitably over the country; and lastly, by co-operation between the Dominion and Provincial Governments. He recommends that the last plan be adopted. "Co-operation between the Dominion and Provincial Governments", he says, "offers a simple and direct way of reaching the desired end. The most effective co-operation could be obtained by the Dominion Government agreeing to raise on its own credit the funds necessary for the establishment of a system and advancing the money to the provinces on their guarantee as to principal and interest. Such of the provinces as desire to work the scheme would undertake to set up administrative boards under their own jurisdiction for the purpose of making loans, these boards being directly responsible to the local governments, their operations being subject to such inspection as the Dominion Government might desire".

Under this plan legislation by the Dominion Government would be required authorizing the Treasury to raise money for the purpose of the scheme and to lend to the provincial governments or to their administrative

boards. It is suggested that, amongst other things, the legislation should also define the amortization terms under which the loans are to be repaid, the relation between interest charges paid by the Government and the interest charges on loans made to farmers, and the percentage relation of the loan to the security with the maximum amount to be loaned against an individual agricultural unit.

The chief reasons for his recommending the plan of co-operation between the Dominion and Provincial Governments are stated by Dr. Tory as follows :

(1) Through the agency of the Dominion Government, money can be obtained at the lowest interest rates possible, a most important consideration

(2) The machinery for making loans, already available in some of the provinces, could be utilized with modifications, thus giving the advantage of past experience in dealing with the problem. Any province not already having the machinery and desiring to take advantage of the plan could create the necessary machinery as defined in the Act.

(3) The cost of administration would be smaller, especially in the beginning, than by any other method.

(4) The administrative boards could be given sufficient authority to free them from political control, while being backed by and having the supervision of the provincial authorities.

(5) The burden of supervision upon the central board, which in a country so spread out as Canada would be a matter of some difficulty, would be greatly lessened. From an administrative point of view, so far as the Dominion Government is concerned, this without question would be satisfactory.

(6) Some of the provinces of Canada might not desire to take advantage of any scheme. In that case they would not be compelled to assume any responsibility, as they could remain out of the arrangement.

(7) It would have the great advantage of placing upon the local authorities the responsibility for making and collecting the loans with their own credit involved. Local conditions would certainly be better understood by responsible local authorities.

(8) By establishing proper supervision from the beginning and keeping attention directed upon the possibility of ultimately having an independent organization, as is contemplated under the United States Federal Farm Loan System, the provincial boards could easily become the local units of a co-ordinated scheme later on by uniting them under a common authority. Provision can be made in the original Act to bring this to pass in due course. Time would in this way be given for the idea of a federal system to mature and materialize.

As regards the provision of shorter term loans, *i.e.* loans for from about six months to three years, Dr. Tory repeats his statement in the first report, and recommends that local co-operative organizations be further developed for the purpose of providing this kind of credit. He points out that this method will give the farmer himself the experience which will teach him how to use money advantageously and in a business way, and that, if successful, it will lead ultimately to the farmer's financial inde-

pendence by putting him into relation with a self-supporting financial institution through which capital can be commanded. Dr. Tory considers that the organization, supervision and control of this type of credit should be left to the provinces; Dominion supervision would be difficult and expensive.

F. L. T.

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2. **Conference on Farm Mortgages in Western Canada.** — *Grain Growers' Guide*, Vol. XVII, No. 52. Winnipeg, December 24, 1924. — *Saskatchewan Co-operative News*, Vol. 9, No. 10. Regina, February, 1925.

A conference on farm mortgages was held in Winnipeg in December last between representatives of the farmers and the mortgage companies of the prairie provinces, the object being to discuss the question of providing cheaper credit for farmers. The conference was called at the request of the Canadian Council of Agriculture and was arranged jointly by the Council and the Mortgage Loans Associations of Manitoba, Saskatchewan, and Alberta. It was attended by representatives of the farmers' organizations of the prairie provinces, representatives of the mortgage companies and of the insurance and trust companies, and representatives of the three provincial Governments. Dr. Tory, President of the University of Alberta, who has been conducting an investigation into the question of agricultural credit on behalf of the Dominion Government and who has recently submitted a report to the Government (1) was chairman of the conference. A similar conference was held eight years ago.

An important result of the conference was the undertaking by the representatives of the mortgage institutions to give sympathetic consideration to a plan for the development of long-term farm loans on the amortization principle.

The conference, in a unanimous resolution, agreed that it was "highly desirable that mortgage loans on Western farms should be procurable at a lower rate than is now current" and that "the essential security on which the loans are made is ample to justify a reduction in the rate of interest".

In the resolution adopted, the conference among other things agreed that "the payment of the annual interest on first mortgages should be regarded as a very serious obligation, which should not be omitted except under most special circumstances, and never without consultation with the mortgage company", and that "governments should refrain from legislation abrogating or diminishing reasonable contractual rights". It emphasized the fact that progress in the direction of "a more general recognition of the obligations imposed by reasonable contract" would be very beneficial. The conference agreed that "governments should review carefully all existing or proposed legislation affecting mortgage security" and that legal methods in the handling of mortgages should be made

(1) See this *Review*, page 560.

simple and inexpensive, and that "land titles and other fees for procedures connected with foreclosures, etc., should be reduced to a cost basis, thus protecting the borrower's equity". Further, the conference recognized that "under the conditions now prevailing in this country 8 per cent. should be regarded as a maximum rate of interest, except for small amounts, and that, as conditions become more similar to those prevailing in the older portions of Canada, the rate of interest should also approximate to that current in those older sections". Lastly, the agricultural representatives having declared that in their opinion there was a "real demand for long-term farm loans on the amortization plan" the representatives of the mortgage associations agreed to give "full and sympathetic consideration" to plans for lending on such basis.

At the conclusion of the conference a joint committee was appointed to call a further conference of a similar nature F. L. T.

SPAIN

1 **Loans made on the existing Grain Harvest.** — REAL DECRETO-LEY AUTORIZANDO AL MINISTERIO DE FOMENTO, EN REPRESENTACIÓN DEL GOBIERNO, PARA QUE, CON APLICACIÓN A LA ACTUAL COSECHA, CONCEDA A LOS AGRICULTORES PRÉSTAMOS SOBRE EL IMPORTE DE LA MITAD DEL VALOR DEL TRIGO QUE DEPOSITEN EN GARANTÍA. *Gaceta de Madrid*, No 188. Madrid, 7 July 1925

By a Royal Decree, dated 6 July 1925, which came into force on the 15th of that month, regulations are laid down for the making of loans to farmers to the amount of half the value of the grain which they deposit as security

The object of the decree is to stabilize the national grain market, checking speculation on the produce and encouraging holding until sale under normal conditions becomes possible. The Ministry of Development (*Fomento*) has therefore considered it advisable to make these loans from 15 July to 15 October 1925.

The fund assigned for the purpose is 50,000,000 pesetas. The period for which the loans are granted is from one to three months, but they can be extended, once only, for a further period of three months.

Farmers have the right of applying for the loan in respect of grain cultivated by themselves, on giving one of the following guarantees:

(a) guarantee of two neighbours of substance, who of their own accord act as guarantors and are prepared to receive the grain in store and to take charge of it;

(b) guarantee of an agricultural union constituted in accordance with the Law of 28 January 1906 (1) with members jointly liable;

(1) Ley de 28 de Febrero de 1906, considerando Sindicatos agrícolas para los efectos de la misma, las Asociaciones, Sociedades y Cámaras agrícolas constituidas o que se constituyan legalmente para alguno de los fines que se expresan *Gaceta de Madrid*, 30 January 1906.

(c) guarantee of the Administrative Council of an agricultural *pósito* under Government control and supervision.

The loans may not exceed 5,000 pesetas each, nor half the value of the grain constituting the pledge; which may not in its turn exceed 250 metric quintals for each borrower. The valuation of the grain placed in store shall be made by the Executive Committee of Rural Credit, which shall register the place where each separate deposit is made and shall observe the regulations for fixing prices, as laid down by the Central Council of Supplies.

The grain given in pledge must be previously insured against fire at the cost of the applicant.

The Decree further lays down rules for the information service required in connection with the Executive Committee of the Rural Credit for the compilation of a list of the applications and of guarantors.

The Decree fixes the interest on the loans at 5 per cent., assigning 3 per cent. to the Treasury and the remainder to a reserve fund, to secure the Committee against possible loss.

The repayment of the loans is made to the branch of the Bank of Spain that has made the advance to the farmer, and is to take place within the 90 days following the receipt of the money, except where an extension is granted.

The debtor assumes, in respect to the goods pledged, the duties and liabilities belonging to a depositor, as well all the consequences specified in the Penal Code with the application in such case of the maximum penalty since the deposit is essential as the guarantee of a legal obligation.

The State as creditor ranks before any other and can take measures against recalcitrant persons by means of the revenue officers.

The forms for action against debtors and guarantors and for the retention of the pledges where necessary are simple and prompt in their working and merely require the stamp duty to be paid.

The Bank of Spain is responsible for carrying out the orders for advances which it shall receive from the Ministry of Development, and it shall present every month to the Executive Committee of Rural Credit, for examination and Ministerial approval, the statement of the loans effected, the repayments made or the interest paid.

Agreements relating to this form of State agricultural credit are of an exclusively administrative character, procedure being similar to that for the recovery of loans, and the contracting parties must submit themselves expressly and exclusively to the administrative jurisdiction, to the exclusion of the judicial.

E. F.

* * *

2. Loans for the Construction of ten Co-operative Rural Slaughter-houses and of an Installation for the Conversion of Meat Offals.—

REAL ORDEN DISPONIENDO SE MANIFIESTE AL REPRESENTANTE DE LA FEDERACIÓN CATÓLICO-AGRARIA DE TUY QUE, PREVIAMENTE A LA CONCESIÓN DE PRÉSTAMO QUE SOLICITA PARA LA CONSTRUCCIÓN DE 10

MATADEROS RURALES COOPERATIVOS Y UNA FÁBRICA COLECTORA Y TRANSFORMADORA DE DESPOJOS Y DESPERDICIOS EN GALICIA, DEBERÁN OFRECER LAS FEDERACIONES CATÓLICO-AGRARIAS, LOS SINDICATOS FEDERADOS EN ELLAS Y SUS SOCIOS, LAS GARANTÍAS QUE SE INDICAN. *Gaceta de Madrid*, Year CCLXIV, No. 143. Madrid, 23 May 1925.

By the Royal Decree of 21 May 1925 loans were made to the Catholic Agricultural Federations of Galicia for the construction of ten co-operative rural slaughterhouses and of an installation for the reception and transformation of the offal and meat derivatives.

This measure was passed at the request of the T^{ty} Catholic Agricultural Federation. Its object is to ensure the construction of these buildings and thus to enable the different meat producing centres to send to market meat on refrigerating trucks, instead of live animals, with a considerable reduction in cost of transport due to the reduction of weight, the elimination of feeding the animals on the journey and of the keep of the persons required to look after them. In addition there will be a marked reduction in the profits of the middlemen and an increase in the value of the head of stock for the breeders, by the amount that they will be able to make on the hides, the offal, the fats, etc.

Taking everything into consideration, it appears that these measures will result in a margin of saving of 2.65 pesetas on each kilogramme of meat, a saving which will have a good effect on the sale price of meat in the large consuming districts.

The cost of construction of the rural slaughterhouses, including the value of the land bought for the purpose, the cost of the plant, the machinery, the refrigerating cars and the outlay for purchase of stock and on staff, will amount to 1,000,000 pesetas for each abattoir, with a slaughtering capacity of from 70 to 80 head of cattle per day, apart from other classes of stock.

The Agricultural Syndicates legally constituted and federated in the respective Catholic Federations act as shareholders for the institution, in the form of a co-operative society, of these slaughterhouses and installations and they will subscribe for the number of shares necessary for creating the capital to be employed for the construction both of the abattoirs and also of the plant, binding themselves to complete payment for the shares within a year of the building of the first abattoir.

The members of the respective Syndicates which hold shares shall supply the animals payment being made to them at the current market price, plus the difference between that price and the price made by the sale of the meat on the consumers' markets (deducting incidental expenses, and among these the proportional part, corresponding to the payment in full of the shares subscribed by the Syndicates to which the members belong).

The following guarantees are required for the credit given by the State to the Federations of the Catholic Agricultural Unions of Galicia and to the unions themselves on the lines above stated.

The members of each of the constituted Syndicates belonging to the

Catholic Agricultural Federations, agree to bind themselves, conjointly, to discharge the payment of the portion of the loan and of the relative interest due from each Union, as has been arranged by the Federations, and they shall authorize their respective chairmen to undertake, as their representatives, the obligation of being responsible, in the name of their Syndicate for the payment of the portion of the capital and of the interest due from each Syndicate.

The chairmen of the Syndicates shall, in their turn, authorize the chairmen of the Federations to arrange, by agreement with the Consultative Council of Agricultural Credit, that the loan shall be granted for the maximum amount of 1,000,000 pesetas, which will be paid in the form of an overdraft on current account, at an annual interest of 5 per cent., payable for the calendar years that have elapsed, up to a maximum of six years. All these authorizations are made by public deed.

As regards the payment of interest and the amortization of the capital lent, the representative of the State and the meeting of the chairmen of the Federations shall establish the fixed amount to be received for every kilogramme of meat, obtained by slaughter in the co-operative rural abattoirs. The sum total of these amounts shall be paid monthly, being reckoned in the loan account which shall be opened in the names of the chairmen of the Federations.

Once these guarantees are secured a loan to a maximum sum of 1,000,000 pesetas shall be made by the State and the Consultative Council of Agricultural Credit. This loan will be secured by a mortgage on the previous sum of 10,000,000 pesetas which the State is paying on behalf of agricultural credit according to the provisions of the fourth article of the Royal Decree of 24 March 1925 (1). This loan will be made in the form of an overdraft on current account, in the name of the chairmen of the Catholic Agricultural Federations which have applied for it. Only sums withdrawn from this current account will pay an interest of five per cent.

The sums paid by the chairmen of the Federations into this loan account for amortization of the capital shall bear the same interest.

The total or partial cancellation of the guarantee offered by the members of the Syndicates grouped in Federations shall take place yearly, in accordance with the sums that are paid in during the same period, for amortization of capital and interest due.

E. F.

UNITED STATES

Recommendations for Further Legislation on Agricultural Credit. —

THE PRESIDENT'S AGRICULTURAL CONFERENCE: REPORT ON AGRICULTURAL LEGISLATION; REPORT ON ADMINISTRATION OF FEDERAL DEPART-

(1) Real decreto disponiendo que el Crédito Agrícola radique en el Ministerio de Fomento, dependiendo de la Dirección general de Agricultura y Montes, y que esté regido por una Junta que se denomine Junta Consultiva del Crédito Agrícola, 29 marzo 1925. *Gaceta de Madrid*, No 84 Madrid, 25 March 1925

MENTS AND AGENCIES RELATED TO AGRICULTURE ; REPORT ON THE EMERGENCY IN THE LIVESTOCK INDUSTRY. Washington, D. C., 1925.

In dealing with the improving of the agricultural credit system the President's Agricultural Conference (1) urges that a united credit system should be brought about in the United States. It is pointed out that there are about 35,000 banks in the country, of which about one-fourth are national banks and the remainder State banks. Of the State banks nearly 11,000 are eligible for membership in the Federal Reserve System ; only about 1,650, however, are actually members. This leaves a large number of banks entirely outside the Federal Reserve System and results in a divided system of banking with consequent weakness to the nation's credit structure. The Conference states that a unified banking system can only be developed by a Federal banking policy which will cause eligible non-members to become members in a national system, and whilst not making specific proposals on this point it raises the question " why State banks do not become members of the Federal Reserve System in larger numbers and what situation in law or administration restricts the development of the necessary banking principles for the safety and stability of agriculture and industry " ?

An important proposal relating to the Agricultural Credits Act, 1923 (1), is that the Act shall be amended so as to make national agricultural credit corporations eligible to rediscount with the Federal intermediate credit banks. This, it is stated, involves a simple but none the less potentially important change in the present structure of live stock finance. If the national agricultural corporations are made eligible to rediscount with the Federal intermediate credit banks it may be possible to organize in the live stock territory an adequate number of properly capitalized loan companies operating under Federal supervision, for the amendment should encourage the formation of such companies. Banking groups may easily establish loan companies to provide for the breeding side of the live stock industry and organizations suited to the special needs of the industry could also be set up. The facilities thus provided, together with the ample rediscount resources of the Federal intermediate credit banks which would become available through the proposed amendment, should place the breeding end of the live stock industry in possession of ample credit granted through sound institutions.

Nothing in the proposed amendment restricts the organization and operation of loan companies under State charters, nor is there proposed any restriction of the power of the intermediate credit banks to rediscount for such State organizations.

In the separate report on the live stock situation the Conference states that the cattle industry is being faced with a serious shortage of credit

(1) See also this *Review*, page 557, for an account of the recommendations relating to co-operative marketing.

(2) For an account of the Agricultural Credits Act see this *Review* Vol. 1, No 4. October-December 1923, pages 589-593

facilities. The break-down of the old packer-controlled live stock loan companies, the weakened and restricted condition of many local banks in the range country, and the lack of available primary discount agencies lie at the root of the present credit problem of the cattlemen. The Federal intermediate credit banks, however, have adequate funds and are empowered to advance money to take care of sound live stock loans wherever they may be presented through solvent well-managed discount agencies; it is therefore necessary that the intermediate credit banks should extend their operations to cover the live stock field and to support and supplement the financing of the industry. The Conference therefore makes the following recommendations:

1. The Federal Farm Loan Board which administers the Federal Intermediate Credit Banks, be requested to send its Chairman, together with the member of the Board who is specially charged with the administration of the Federal Intermediate Credit Banks and such other representatives as the Board may deem necessary, to enter upon an immediate campaign to present to the cattlemen, bankers and commercial institutions of the various States, the information that the Intermediate Credit Banks are able and willing to provide adequate rediscount facilities for all sound loans to livestock raisers, and that for this purpose there need only be organized, or continued, stable discount agencies.

In this connection, it is also recommended that the representatives of the Federal Farm Loan Board should most carefully review the personnel of the various Intermediate Credit Banks to see that those who are employed are not only conversant with banking principles but are also conversant with the needs of agriculture, including the livestock industry, and are sympathetic in promptly assuming the responsibility of meeting the financial needs of agriculture in their respective localities.

The Conference has been assured by the Chairman of the Federal Farm Loan Board that it stands ready to carry out this programme.

2. A special report be made by the Chairman of the Federal Farm Loan Board to the President on July 1, 1925, indicating such progress as has been made in meeting this emergency.

3. The Agricultural Credits Act be amended by eliminating the provision that prohibits the rediscounting by Federal Intermediate Credit Banks of loans negotiated by Federally chartered agricultural credit agencies.

F. L. T.

Land Systems

ARGENTINA

Conditions of Sale of Agricultural Plots for Settlement in the Territories of Misiones, the Chaco and Formosa. — MINISTERIO DE AGRICULTURA DE LA NACIÓN, DIRECCIÓN GENERAL DE TIERRAS: COLONIZACIÓN OFICIAL. Cartilla explicativa que determina las condiciones que rigen para la venta de lotes agrícolas en los Territorios del Chaco, Formosa y Misiones. Buenos Aires, 1925. |

The Department of Lands and Land Settlement of the Ministry of Agriculture of Argentina supplies valuable information on the conditions of sale of agricultural plots for the purpose of land settlement in the Territories of Misiones, the Chaco and of Formosa. In the conduct of the sales in accordance with the Law on Lands No. 4,167, and with its regulating and special clauses, and seeing that the fundamental principle of the law is individual settlement, individuals and societies are alike regarded by the State as single persons for the purposes of the assignment of the lot or of the majority of the lots to be conceded.

The provisions apply to the various existing agricultural centres and to those which the Government proposes to create.

In the larger number of the settlements there is an urban belt consisting of the town and a rural zone consisting of the *chacras*. The area of these usually varies between 25 and 100 hectares, according to the productive capacity of the land and the crops grown on it. These crops must be those which are most usually grown in each region.

Territory of Misiones. — This territory extends in the extreme north-east of the Republic for a length of 500 kilometres, between the large rivers of the Paraná and the Uruguay. There are great differences in level and an abundance of forest and a great many small rivers. The climate is healthy and the average temperature varies from 22° to 24° C. It has a population of 50,000 inhabitants, living in the south-west part of the territory, where the first lands for settlement were assigned.

Next to maté, the most important crops in this territory are tobacco, rice, cotton, maize, sugar cane, etc., not counting every kind of vegetable and fruit. The most remunerative crops are however those of maté, tobacco and cotton.

The Territory of Misiones is linked with the capital of the Republic by the North East Argentina Railway which traverses the very fertile and populous zones of Entre Ríos and Corrientes and comes as far as Posadas.

The Paraná River, which is navigable, affords an easy route for transport along the boundaries of the provinces of Corrientes, Santa Fé, Entre Ríos and the port of Buenos Aires. Posadas represents the most important

market for the different centres of the territory. It is the seat of the Government, the Law Courts, the Police Offices, the Customhouse and the Land Offices. There is a school of agriculture and there are also several primary schools. The Bank of Argentina, the Mortgage Bank and various private banks have opened branches at Posadas.

Twenty-three agricultural colonies have been planned out or actually formed in this territory.

Territory of Chaco. — The territory of Chaco is bounded by the provinces of Salta, Santiago del Estero and Santa Fé to the west and the south, by the territory of Formosa to the north and by the river Paraná to the east. The summer is hot and rainy, the winter climate dry and very cold. It consists of wooded plains, easy to cultivate and particularly favourable for the growing of cotton which is the more important crop in the Chaco. Other important crops are : maize, sugar cane, ground nuts, cassava, etc. It would be possible also to cultivate all the industrial plants known as tropical crops, such as pine-apple, coffee, bananas, etc.

At present, however, these crops are not grown, the ordinary crops being enough for the needs of the settler.

The railway line which runs from Barranqueras to Quimili is of great use to the majority of the settlements, as being the line which joins Santa Fé to Barranqueras, and establishes communication, across the province of Santa Fé, between the territory and the capital of the Republic. This territory is also in touch with Buenos Aires by means of the waterway of the Paraná, which flows past all the provinces of the littoral, and with all the American ports.

The Chaco has a population of about 60,000 inhabitants, the greater number of whom are Argentines, and the remainder Spaniards, Italians, Germans, Austrians, Paraguayans, Turks, Swiss, etc. The capital, Resistencia, has 20,000 inhabitants. There are primary schools and a mixed rural training college, besides offices, a hospital, etc.

Twenty-six kilometres from the capital is the town and colony of Benítez, where is an experimental station of the Ministry of Agriculture.

At different points in the territory there are tannin factories, sugar refineries, distilleries, saw-mills, etc.

There are 17 colonies in this territory.

Territory of Formosa. — The climate of this territory, which is on the northern border of the Republic, is practically the same as that of the Chaco. According to the latest census the number of the inhabitants is 19,281, including 80 per cent. of foreigners, for the most part Paraguayans.

The principal products are timber and dairy products which employ the activities of the population of the territory. There is no great number of agricultural colonies ; only two are complete, a third is partly ready and partly planned out, another is being surveyed and in the case of six the plans have not yet been drawn.

The number of persons able to cultivate the land is limited and hence there is little development of agriculture so far in this territory, the cultivation being limited to small plots of maize, cassava, potatoes, etc., al-

interest of individuals in the common undertaking has been particularly favourable to improvement schemes.

After the issue of the law of 1879 a number of co-operative societies were established. At the end of 1899 there were already in existence 2,304 co-operative societies for drainage, irrigation and general improvement, 420 societies for dyking and 167 for the regulation of watercourses, while the area covered by the operations was 2,850,956 hectares.

At the end of 1923 there were co-operative land improvement societies and federations in Prussia as shown in the following table:—

	Number	Area in hectares
Federations for construction of dykes.	671	1,536,100
Co-operative societies for draining and irrigation	3,862	1,288,800
Co-operative land drainage societies. .	1,783	392,200
Co-operative upkeep and maintenance societies	45	17,500
	6,360	2,334,600

The law of 1913 had only a limited application to co-operation and referred merely to the hydraulic engineering works without reference to the cultivation of waste lands and the subsidiary installations.

Immediately after the outbreak of war an endeavour was made to remedy this omission by means of the decree on the establishment of co-operative societies for the improvement of marshy land, dunes, etc. Between November 1914 and September 1915 no less than 345 co-operative societies were established on the basis of this decree with an area of 133,700 hectares, while 72 co-operative hydraulic engineering societies, covering 22,473 hectares were transformed into co-operative land improvement societies.

The Decree of 1914 only remained in force up to September 1915. Immediately after the War, in view of the good results already obtained and the economic pressure, there was a demand for more extended improvements for purposes of land settlement and production, and also for fresh legislation on the subject. The result was the law of 5 May 1920 on the establishment of land improvement societies. While by the terms of the Decree of 1914 the special function of these co-operative societies was to arrange for the subsidiary works when the actual hydraulic works had been already carried to a sufficiently advanced stage by the societies concerned, under the new law the construction of irrigation and drainage works is included among the functions of these land improvement societies. The compulsory participation of minorities has been preserved and the right of expropriating private property has been considerably extended.

Application from the interested parties is not essential to the formation of the co-operative societies and their establishment may be undertaken officially and apart from the consent of the persons concerned. Up to the end of 1924 426 land improvement societies in all have been founded covering an area of 166,840 hectares.

F. J. R.

ITALY

A Scheme of Home Colonization. — PER LA COLONIZZAZIONE INTERNA
 PROPOSTA DI LEGGE DEL SENATORE EDOARDO PANTANO, svolta e presa
 in considerazione dal Senato il 20 gennaio 1925 Extract from the Par-
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 — PANTANO (Edoardo) La Colonizzazione interna *La Terra*, No 3.
 Bologna, 1 March 1925 — DO I provvedimenti pel Mezzogiorno e la
 colonizzazione interna *La Terra*, No 8 Bologna, 1 August 1925

In 1906 and again in 1910 an extensive scheme for home coloniz-
 ation, regarded as the central problem of the national economy, was
 brought before the Chamber of Deputies by Sig. E. Pantano, in his
 capacity as Minister. At the meeting of the Senate of 20 January
 1925 Senator Pantano, who is an ex-President of the International
 Institute of Agriculture, once more introduced a bill on this subject,
 inspired by the same fundamental idea as the previous bills, but
 made more complete in response to the development of rural eco-
 nomy and the renewal of public interest in the question. The pro-
 posal comes particularly opportunely at the moment when the Gov-
 ernment of the nation has affirmed the necessity for intensifying, as
 occasion offers, "up to the last square centimetre the productive
 capacity of Italian soil", and is pressing forward to wage with all the
 resources it can command the "battle of the grain", summoning to its
 aid the best energies of the country side. A statement of the ideas,
 by which the main lines of the Pantano scheme are inspired, is here
 given.

The bill provides for the establishment in Rome of a
 Institute for Home Colonization, having the full powers of a
 body, with the object of bringing under the most complete
 the whole of the agricultural land of Italy, with the direct
 assistance of the State :—

(a) by founding villages in untilled or inadequately
 districts, at a distance from the inhabited centres, so as
 those parts the means of the direct organization of small
 farming on the lines of full efficiency of labour and outp

(b) by bringing into existence small townships of
 bourhood of the large rural centres where the need for
 ization of small holdings cultivated by the owner is port-
 cessary ; Japan

(c) by facilitating the constitution and fore direct-
 co-operative societies the object of which is the and in
 cultivation of lands ;

(d) by encouraging the diffusion of small tenements, whether a
 tenancy ;

(d) by developing the scientific cultivation, true feel-
 where breaking up is not possible ;

(f) by encouraging and promoting changes in systems of cultivation, the development of agricultural industries, stock-breeding, the building of farm workers' houses and the improvement of rural dwellings ;

(g) by encouraging and promoting the formation and development of the small agricultural co-operative societies, of rural mutual insurance societies, and in general of all kinds of co-operative societies, in whatever form, in which the majority of the members are agriculturists or agricultural labourers ;

(h) by co-ordinating the agricultural improvements of waste or insufficiently cultivated lands with drainage or cleansing schemes ; and by promoting the latter schemes ;

(i) by supporting institutions the aims of which include the moral, intellectual and social betterment of the workers on the land ;

(l) by co-ordinating all the economic energies which are engaged in agricultural production and focussing them on the sole object of the agricultural progress of the country side.

For the accomplishment of these ends the Institute is to have power to carry out the following operations :—

1. purchase of waste or insufficiently cultivated lands, with a view to subsequent sale after improvement in suitably divided small or medium-sized holdings ;

2. purchase and improvement of lands, either unscientifically cultivated or unduly broken up into parcels, which lie in comparatively isolated situations on the borders of the improved belts nearest to the large country towns, with a view to subsequent granting of them in small parcels to the direct cultivators of the soil ;

3. purchase of lands for the establishment of travelling penal colonies, so that after they have been improved and put into good areas, which the prisoners they may be sold to families of free workers hectares to cultivate them and will live on the plots ;

The Rural credit in all its forms, fiscal privileges and expert assistance in immediately farming ;

the economic advances and loans for the purchase of raw materials, live for purposes implements, and for insurance expenses ;

the exemption on the sumption from any kind of registration tax or mortgage payment of land and transfers or sale purchase transactions undertaken with of 1914 the sale, re-parcelling of the small and average-sized cultivation for the subsidia ;

carried to a sufficient financial encouragement to institutions, the object of the new law the construction of co-operation and thrift and the diffusion of the functions of these institutions, including the employment of suitable participation of minorities in the country towns and in the country dispossessing private property

Application from the State for a new and interesting form of grant in connection of the co-operative Art. 4 may be quoted here by way of explanation : taken officially and upon the grants in emphyteusis contemplated in the law of 1924 426 1. Mutual, indivisible and for a period of twenty years covering an area of the area of the plot to be granted to each holder

In connection with the grants of land it is provided that preference should be given to the families of those killed in the war and of those who have returned maimed or unfit for work, also for granting the holdings in the form of family property (" *beni di famiglia* "), incapable of sequestration or alienation, and to be handed on in the family itself as whole and indivisible.

The Institute is to have an endowment fund of a thousand million liras ; it is to be empowered to issue agricultural bonds for another thousand million and may obtain loans on favourable terms from the *Cassa Depositi e Prestiti*.

As regards administration, the scheme includes the formation of a Colonization Commission and a Council, and the appointment of provincial vice-commissioners assisted by a Provincial Colonization Commission.

In substance all the various aspects of this long-standing and many-sided problem have been kept in view by the proposer and resolved with a clear vision of the needs of the country and of its economic future : the carefully devised provisions which have been under the consideration of the Senate are such as to secure, in their entirety, a radical and beneficial transformation of immense tracts of rural Italy. G. C.

COSTANZO, *gerente responsabile*.

L'ISTITUTO INTERNAZIONALE D' AGRICOLTURA

THE AGRICULTURAL ASSOCIATIONS OF JAPAN: THEIR DEVELOPMENT, ORGANIZATION AND WORK.

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In connection HÔRITSU DAI 40 GÔ NÔKWAÏ HÔ SHIKÔ KIJITSU NO KEN. should be given Ordinance No 357 fixing the date of the coming into force who have returned. No. 40 of 1922, on the Agricultural Associations in the form HÔRITSU DAI 40 HÔ NÔKWAÏ GÔ DAI 30 JÔ NO KITEI NI YORU sequestration or alienation SOGAN OYOBI GYÔSEI SOSHÔ NI KWAN SURU KEN. whole and indivisible. No 358, 31 July 1922, on claims, appeals and ad-

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NOSAKI (Prof.) Nōkwai to sozei (*The Agricultural Associations and the Taxes*) *Bulletin of the Agricultural Association of the Empire*, Vol 19, No 11, 1 June 1925

KODAIRA (Prof. Gonichi) Furanshi ni okeru nōgyō waigisho hō no kaisei wo hyōban su (*Some Considerations on the Amendment of the Law on the Chambers of Agriculture in France*) *Bulletin of the Agricultural Association of the Empire*, Vol 14, No 18, September 1924.

IN the years immediately following the Imperial Restoration (1868) the agricultural policy of the Japanese government was almost exclusively concentrated on the introduction of the methods practised in Europe and America. Without exercising much discrimination, the authorities and private persons imported new plants and seeds, planted olives and vines, bought in large numbers all kinds of agricultural implements, and a little later established laboratories and experiment stations. There thus came about a somewhat disconnected and hasty agricultural policy which could not from its very nature give good results and completely disregarded the conditions essential for success. The mere social training of the Japanese cultivator made an enforced difficult matter. In addition many of the new methods will be admitted altogether adapted to the character and methods of the work of the people, which are substantially different from those of the West.

In the following years the State has been very concerned responsible for the immense efforts made in agriculture, the economic character and the conditions of the practice of people all contributed to the Government with the realization of an aim to obtain through the usual extent contributed to the

Some years ago the Japanese agricultural associations is their attainment of the purpose which coincides, as regards their system of agricultural administrative division of which closely followed the consequences of equal importance smallest village with a graded in agriculture in Japan tion, a grade system between the Government and in ciation, the Agricultural which they are devoting their agency of these bodies, of a commune, whether a grants, the agricultural to take part with a true feeling lines to be described below

The receipts amounted to a total of 3,483,147 yen; out of these 1,467,069 yen or 42 per cent. represent members' contributions (*kwai-hi*).

Grants made by the *chô* and the *son* and the associations of higher grade amount to 1,341,974 yen; 429,000 yen were carried forward from the previous year; miscellaneous receipts amounted to 245,477 yen; the average total receipts for each association were thus 306 yen.

The expenditure amounted to a total of 3,065,573 yen, out of which 1,366,565 yen or 45 per cent. represented the working expenses for the year. The administrative expenses amounted to 528,487 yen, the expenses for meetings to 55,143 yen, other miscellaneous expenses and the proportion set aside as contributions to associations of higher grade amounted to 1,081,468 yen.

The average expenditure of agricultural associations of *chô* and *son* was thus 267 yen.

The province in which the highest average expenditure per association of *chô* or *son* occurred was the prefecture of Miyazaki with 818 yen; the lowest average was that in the prefecture of Yamanashi with 61 yen.

With the object of simplifying the work of the agricultural associations of the lowest grade the new law of 1922 was passed under which it was possible to replace the General Meeting by a Committee of Representatives as has already been explained. Immediately after the new law came into force, that is after 1 January 1923, 10,623 agricultural associations of the country town and village grade took advantage of this important modification and instituted the Committee of Representatives. By way of summarizing this brief account of the activity of the agricultural associations the table subjoined may be of interest. In it the representatives are classified according to their social position and the number of members who are office bearers in the associations is also given. The data for three provinces, *viz.*, Hokkai-dô, Chiba and Fukushima, are not available as regards the enquiry as to members of the Committee of Representatives, and for that relating to the members who are office-bearers, the data from the provinces of Chiba, Fukushima and Iwata are incomplete.

Number of country town and village agricultural associations which have appointed a Committee of Representatives	Land cultivating owners (jishu-ken sasaku)		Mainly owners and tenants (jishu- ken sasaku)	Mainly tenants and owners (sasaku ken jishu)	Tenants (sasaku)	Other persons	Total
	Classification of Members of the Committee of Representatives						
10,623	407	112,132	43,643	10,172	14,059	1,919	222,688
			55,815				
	(1 %)	(51 %)	(19 %)	(5 %)	(6 %)		
			24 %)				
B) Classification of the members holding office in the same associations							
	6,813	568	98	164	436		15,278
		666					
	(45 %)	(3 %)	(1 %)	(1 %)	(3 %)		
		(4 %)					

CONCLUSION

In conclusion the system of the Japanese agricultural associations may be thus summarized:—

1. a close network of small communal agricultural associations covering the whole area of the Japanese Empire. The formation of the associations is left to the free choice of the agriculturists, but if within the area of the commune two-thirds of the persons who have the required qualifications for membership consent, the communal agricultural association is formed and membership becomes obligatory for all land holders, cultivating owners, tenant owners and tenants or tenant farmers of farm lands situated in the respective zone (*City, Country Town or Village Agricultural Associations*);

2. the local district or *gun* union or grouping of the communal (*chō* and so) agricultural associations (*Rural District Agricultural Association*);

3. the provincial or *dō, fu, or ken* union or grouping of the rural district (*gun*) agricultural associations, and the urban (*shi*) associations (*Provincial Agricultural Associations*);

4. the national union of all the provincial unions into a single national rural association (*Agricultural Association of the Empire*).

From the preceding study it will be seen that the principal functions of the Agricultural Associations are of two kinds: on the one hand they are the authorized organ of the agriculturists, and the means by which agricultural interests are protected in regard to State action; on the other they are formed with the object of serving as a guide to the agriculturists in the application of the agricultural policy of the Government and to execute any special work of national interest delegated to them by the Government.

Every communal agricultural association is a self-governing body; has its own administration and management, employees and salaried officials, estimates and balance sheets, receipts and expenditure, separately owned capital, special funds for special purposes on which it decides within the limits of its powers as determined by the law, and finally has its own members, who have the right of electing and being elected and a direct share in the life of the association, through the general meeting. In addition the federations or rural district or provincial unions of the communal agricultural associations, in other words the rural district and the provincial agricultural associations, act also as permanent organs of the Japanese agricultural administration, which has legal power to appoint on each association a certain number of special delegates, responsible for the encouragement in accordance with the instructions of the Government and by agreement with the agriculturists, all forms of activity tending to promote the progress of agriculture and the prosperity of the nation and such as can best be effected through their loyal and intelligent co-operation.

The practical results of the development of the agricultural associations have already been examined in the course of this article. In about five and twenty years since the first law of 1896 on agricultural associations came into force, these bodies have taken their place as practically coterminous with the general system of Japanese administrative organization. Thus in 1924 there were 47 provincial agricultural associations representing the 47 provinces and the organization of the other grades was nearly as complete.

The Japanese agriculturists have received from the State an organization which is complete and uniform in type. While they have found themselves obliged to enter into closer and more direct contact with each other, they gain all the advantages which can accrue from the grouping of common interests; and these associations which are practically executive bodies for the national agricultural policy,

not merely provide an effective and intelligent co-operation, but are often the active promoters of legislative measures and of the practical policy best adapted for the furtherance of the development of Japanese agriculture which is so important a factor in the economic life of the Empire of the Rising Sun.

GUIDO PERRIS.

FOREST ADMINISTRATION IN INDIA

FORESTS have played since the first beginnings of Indian history a considerable and distinctive part in maintaining, prior to their destruction, an equable and temperate climate and in their general effect on the country's agricultural economy. Thus Hien Tsang, the famous Chinese traveller who traversed the length and breadth of the country in 650 A. D., bears witness to the temperate and salubrious climate of the country, a remark which today would be capable of but partial application to hill stations and particularly favoured towns in the North and North West.

The progressive development of Indian agriculture dates back to the Aryan invasion about 2000 B. C. The Aryans were pastoral and agricultural people and they laid the foundations of agriculture by felling large trees and effecting extensive clearances in the dense and tangled forest areas which enveloped the basins of the larger rivers. For the success of these pioneer efforts it was necessary that the endless ramifications of forest tracts should be burnt and destroyed, in order that open spaces and level clearings might be obtained for the production of crops and the grazing of cattle. But there is no evidence available which may show that the Aryans, who first settled down in the Punjab and evolved a stable Government there and later established the Aryan Empire at Oudh in the United Provinces were inimical to the growth of forests or that they did not fully appreciate their value. On the contrary, we are told by Arrian, who accompanied the forces of Alexander the Great, when the latter invaded India, that the Salt range and the country on the banks of the Jhelum were clothed in forests dense enough to control the movements of Alexander's army. In describing the march East of the Jhelum Arrian says that there was a vast expanse and network of forests "shrouding the country with umbrageous trees of the steepest growth and of extraordinary height, that the climate was temperate."

perate, as the dense shade mitigated the violence of the heat, and that copious springs supplied the land with abundance of water".

In the vicinity of the forests, on the mountain slopes, on level lands at the top of the ravines, agriculture was normally pursued without any serious detriment to the forests, whose protection and shade gave welcome relief to the traveller and the labourer from the blistering rays of the tropical sun. This attitude towards the forests continued from the commencement of Aryan Dominion in India to the end of the Mahan and Buddhist epochs (8th century A. D.).

Ample and conclusive evidence has been produced by a whole succession of forest experts that the wanton destruction of forests has changed the course of streams, silting up the bed and corroding the banks, much so that places like Patna, which were once prosperous ports with an extensive commerce have now become places of no importance whatever in whose streams only vessels of very shallow draught can be kept afloat. The same mischief has been done to hillstreams, where the disappearance of vegetation has loosened the sand and gravel, washing these down into the fields below leaving no deep firm channels through which the floods can flow, destroying earthen embankments where water-supplies were stored, and working generally to the detriment of agriculture.

The accelerated exploitation of the forests, dictated by military, naval and other requirements, has been aggravated by the shifting cultivation of the aborigines, whose pernicious practices laid bare extensive areas, thus interfering not only with the course and direction of rivers, but with the climate too. Happily these practices have now been abolished.

It must not be supposed, however, that the Aryan rulers of India failed to appreciate the value and importance of the forests. The agricultural economy of India has always been vitally related to the preservation of forest areas. The British found, on taking over the control of the country, that the grazing and pasturing rights of individuals and communities, the rights to cut timber for building, to remove fuel for domestic use, to bring cattle and graze them when communal grounds were dried up or did not yield an adequate supply, were not a recent growth but of old historic origin.

Forest experts have discovered the deficiencies and drawbacks of the old methods; some of these have, perhaps quite properly, been branded as unprofitable, primitive and even ruinous to the life of the forests. But a really profitable connection between the exten-

siveness and proper conservation of forests and their practical, demonstrable utility in actively helping agriculture is yet to be discovered. For the continuous, at times wholesale, enclosures of land which might have been put to agricultural and other use, the infliction of hardships and privations, albeit unintentional, on numerous individuals as the process of enclosure has gone on, can be justified on one ground only, namely the promulgation of a policy which, beyond doubt or dispute illustrates the interdependence between agriculture and forestry.

One of the vital necessities of agriculture which a properly developed forestry can subserve is the organization of fodder and fuel reserves. There are 380,000 square miles of crown waste available, which, given a definite constructive policy and financial resources, can be converted into communal or village forests, which would supply fuel and cattle fodder. Live stock is the only motive power known to Indian agriculture, and the havoc wrought amongst cattle by drought and scarcity of fodder is obvious.

From the point of view of forest conservancy great and notable achievements stand to the credit of forest administrators. They have prohibited shifting cultivation; they have organized effective fire-protection; silviculture has followed upon the success obtained by arboriculture. The system of licenses whereby contractors cut, hacked and destroyed indiscriminately has been swept aside. Forests are now either reserved or protected.

Forest authorities are now alive to the need of organizing forest industries, as the employment afforded by these will be a potent means for reclaiming the hill tribes in whom chronic unemployment and ignorance have bred despair and fostered criminal tendencies. The manufacture of cinchona is an old familiar industry, as also the establishment, here and there, of resin distilleries. Among the industries recommended by forest officers themselves are wholesale production of umbrellas, baskets, chairs, household furniture, etc. and in the vicinity of the forests. These may be organized either by Government or by private enterprise with the active encouragement of Government.

The Government of India have decided to transfer the forests of Bombay and Burma to popular control, as a preliminary step to the transfer of all the forest departments throughout India, to be effected gradually. It is to be hoped that the traditions of efficiency will remain unimpaired, and that the transfer of control will be an

effective means of bringing the forest department into a closer, more intimate and useful co-operation with the agricultural economy of India.

§ 1 PREJUDICES AGAINST FOREST CONSERVANCY.

When under pressure from the Government of India and continuous representations to the Home Government inspired by specialists engaged in India, forest conservancy was seriously undertaken as the exclusive concern of the Forest Department established in 1862, with Mr Dietrich Brandis as conservator, the officers of the Department soon discovered that their efforts were and might continue to be greatly handicapped by the dead-weight of accumulated difficulties which were the legacy of the past. An obstacle of a general nature was the unwillingness of the District Officers to recognize the competence of the newly appointed Forest Officers to interfere in what they, until then accustomed to regard as matters falling within the direct jurisdiction of the civil authorities. As a necessary consequence of this attitude, a certain amount of obstruction was inevitable, even given the best will in the world on both sides.

Matters were somewhat complicated by the further consideration that excepting the specialists engaged from Germany where the science of forestry had developed since the seventeenth century, the majority of Forest Officers recruited from the Army and the Public Works Department lacked that skill and specialized knowledge which alone could give them prestige in the estimation of the officers in the civil executive service. The above observation would apply to the initial stages in the organization of forest conservancy. Later on a large number of Scottish foresters were enlisted, who left their mark on the administration. They were all trained and picked men.

From its inception, the Forest Department was naturally inclined to interpret its duties as consisting in making extensive enclosures. There thus arose a conflict of opinion between the civil administration and the forest authorities. The civil administration preferred to extend agriculture to derelict forest lands and Crown waste as this would result in the larger production of food and as cultivated lands would be paying revenue. The forest authorities, on the other hand, felt that the needs of the future demanded that forests should be conserved and protected and their areas continuously extended. The reservation of forests further involved the extinction of immemorial prescriptive rights, enjoyed by individuals and village

communities to enter the forest to cut brushwood for fuel, to graze their cattle and to raise crops of grass in the vacant spaces. The cancellation of these rights the Government would not entertain, in spite of the continuous pressure from the Forest Department which emphatically urged, from time to time, the payment of nominal compensations for the abolition of rights not compatible with the protection of what they considered public interests. The net result of this tug-of-war between the two rival attitudes, has been a fairly satisfactory compromise which has left 180,000,000 acres as a permanent forest estate. And if, in their excess of zeal, some of the less experienced officials enforced forest regulations with a strictness which entailed hardships on the populace and excited local feeling, there were others who, in their eagerness to keep in touch with the villagers and respect traditional ideas, administered forests with a leniency which was considered incompatible with the preservation and protection of forests.

Broadly speaking, the prevailing ideas which dominated the mentality both of the civil administration and the people long before the organization of the forest services and some considerable time after some of the distinguished foresters like Brandis, Ribbentrop and Schlich had started a vigorous campaign in favour of forest conservation, were —

1. That the Indian forests were practically inexhaustible sources of supply. The provision of present needs was guaranteed, some thought, and hence there was no need for hysterical attempts at re-afforestation, expropriating the peasantry, seeking to abolish private rights and the like. Such efforts were branded as obsessions, and the civil administration pointed out the imperative need for extending cultivation if the primal need of the rapidly increasing populations for food was to be adequately satisfied. Where was the justification for ambitious projects of enclosure, when forest tracts were extensive? Some of the Forest Officers themselves viewed with grave apprehension this continuous encroachment on private and waste lands, on village forests and even valuable trees standing in private forests. This attitude was induced by the fact that, in magnitude and extent, as well as in abundant possession of valuable timber, the forests seemed to be incapable of exhaustion as they fully satisfied the needs of local communities for fuel, of the Public works Department for the construction of public buildings and of the British Admiralty for teak for the building of ships. Teak had attracted the attention of White

hall, as oak was in the forties and fifties of the last century fast disappearing as a commercial timber in England. So extravagant was the belief in the vastness of Indian forests and in their capacity to maintain a permanent supply in spite of reckless hacking, felling and indiscriminate cattle-grazing that the fears of the authorities were aroused in regard to Simla, to mention only one place among thousands. It was calculated by Lord William Hay, the Deputy Commissioner at Simla, Cleghorn and others that the European community in Simla consumed in 1863 fuel amounting to 327,540 maunds (1) a year or approximately 72,000 lbs a day. Cleghorn estimated that each European house burnt daily 160 lbs. of wood and 12 lbs. of charcoal.

Prof Stebbing (2) points out that in the military stations of Kasowl, Jugshai, Sabathu and Jotogh the returns of the Commissariat Officer in 1860-1 showed that 67,669 maunds of wood and charcoal of the value of Rs. 18,045 were used. This amount was exclusive of the consumption in the houses of officers, the bakery and jewelry and the amounts used by the Engineer Department.

It may be easier to realize how strong and inveterate this fallacy regarding the unlimited nature of the untapped forest resources was, when we recall to mind the fact that shortly after 1858 an intensive exploitation of Indian Forests had commenced, for sleeping a whole net-work of strategic railways, for the construction of public buildings and for the satisfaction of the British Admiralty demands. That the fallacy survived these exacting tests is evidence of its ingrained and persistent nature. It may be here mentioned incidentally that the varieties of tree felled for the fuel supply of Simla were blue pine and deodar (*Cupressus Deodara*), *Rhododendron arboreum*, *Pteris ovalifolia*, *Quercus incana* and different kinds of jungle trees and stout underwood. The villagers used the dried up stems of euphorbia and thorny brushwood to supplement the cow-dung cakes which, in the absence of better and cheap fuel, they were compelled to divert from their proper use as manure;

This increasing demand for fuel and its somewhat extravagant consumption was not, of course, confined to Simla; it obtained for all hill-stations throughout India, nor did the plains forego their claims in the winter season. It was obvious that this process was rapidly depleting the forests; it was intensified however by the incredibly low rates for wood and charcoal which obtained then. In the middle

(1) 1 maund = 80 lbs

(2) Prof. STEBBING: The Forest of India.

of the last century, the general cost of firewood was 3 annas for a load of 60 lbs. The contract rate established by the military was 300 lbs. of wood for one rupee, while 80 lbs. of charcoal could be bought for a rupee.

Since the establishment of the Forest Department in 1862 and its reorganization in 1898 and 1900, the felling of trees for private consumption was prohibited in the Reserved Forests and regulated in the protected ones. But even before 1862, forest officials, like Dr. Cleghorn, appointed Conservator of Forests in 1847 for the Bombay presidency, and Dr. Gibson, who held charge of forest conservancy in Madras from 1856, made spasmodic and only partially successful efforts to meet the local demand for fuel by establishing plantations. The Nilambur teak plantations, sown and supervised by Mr. Connolly, the Collector of Malabar, in 1840, form a classic example of a uniformly successful type and mark the first beginnings of a constructive effort in this direction. To provide for the fuel supply for Jotacamund and Wellington, *Acacia arabica*, wattle and eucalyptus were employed with great success. Among exotics which were before imported into India may be mentioned mahogany, Australian eucalyptus, larch and the maritime pine.

There were no two opinions that the sowing of plantations in a parallel line of effort to the silvicultural treatment of reserved forest areas fulfilled an urgent need. But experts like Dr. B. S. Misra clearly perceived from the beginning that plantations were no adequate substitute for the effective regeneration of the extensive but denuded forest areas as a whole.

With the growth of the Forest Administration, the scheme for insuring the proper restoration of forests obtained the ascendancy, the plantations remaining in the background as useful sources of supply when occasion arose. By 1900, the area of successful plantations was recorded as 100,000 acres of which 68,000 were in Berar, 20,000 in Madras and 12,000 in Bombay.

The conviction which inspired the activities of the Forest Department was that the forests might get rapidly denuded, unless their supplies were carefully preserved and intensively developed with a view to requirements and possibilities in the future. Thus artificial measures were slowly introduced, leading up, step by step, to the highly developed silvicultural treatment which obtains to-day. Among some of these measures may be mentioned "thinnings", "improvement felling", extermination of fungi and insect pests, and the cutting of

of creepers, some of which by entwining themselves round the stem or branches suppress and eventually kill the trees. Diseased or decayed trees must be removed lest the infection spread throughout the forest; undergrowth must also be suppressed if it does not leave ample scope to the valuable trees for healthy growth and expansion. Proper spacing is just as necessary for the vitality of trees as the supply of nutrition or freedom from disease. Simultaneously with the adoption of artificial measures, most of the pioneer foresters advocated the sowing of seed broadcast, if the soil was favourable to germination, particularly in areas where valuable timber flourished previously.

2. Conservancy in the administrative or scientific sense was difficult so long as greater value attached to the collection of revenue from the sale of forest produce than to the protection of the forests themselves going concern. Licenses were issued to approved purchasers such as timber merchants and contractors on specific conditions. These persons were naturally interested in the extraction of a maximum amount of timber as expeditiously as possible after the obligations were met and were not over scrupulous as regards the methods of felling. And it may hardly be reasonable to expect that contractors, such as these, should bestir themselves and in the interests of forest conservancy plant trees to take the places of those felled, particularly at a time when the responsible administrators were inclined to regard forest conservancy as a pretext for trenching on the prescriptive rights of the people and for oppressing them.

They quite unconsciously and unintentionally, therefore, the vital necessities of the future were being sacrificed to the expediency of the moment. The axes of the wood-cutters spared neither trees nor saplings, and in the absence of sleeper chutes, timber slides and for Bel tramways, methods of transport were so wasteful that not more than 40 % of the cut timber ever reached the markets.

The Government, it is true, devised several expedients for discouraging the destruction of saplings and immature trees. One of them was that a 15 % *ad valorem* duty should be paid at the various revenue stations on logs removed, irrespective of size. Others sought to convert the contractors' leases into a tenure for perpetuity on condition that four, five or even ten trees were planted for each one cut and removed. Unfortunately most of these schemes proved abortive, on the whole.

Lord Dalhousie's memorandum dated 1855 has been termed by

some foresters the Charter of Indian Forests. It laid down that in the absence of proved prescriptive rights, all forest property belonged to the State. Certain areas were declared as Reserved Forests, and any unauthorized person entering the forests to cut and remove trees was liable to certain penalties, including the confiscation of the instruments which he employed for illegal cutting.

§ 2. DIFFICULTIES OBSTRUCTING FOREST CONSERVANCY.

As pointed out in the Government of India's despatch to the Secretary of State for India dated 1st Nov 1862 and fully endorsed by the latter, the recognition of *private rights* in Government forests was not compatible with the responsibilities of Government as the custodian of *public interests*. This point of view was consistently and forcibly urged upon the Government from the commencement of forest operations. The most serious question was that connected with old prescriptive rights of nomadic populations.

Shifting Cultivation. — The Aryans were an agricultural people and since their settlement in India and fusion with indigenous elements, peaceful development of agriculture has been carried on by the large bulk of Indian peasantry. The only exception has been the *aborigines*, who, driven into mountain fastnesses by every successive wave of invasion, were left there stranded and isolated from all civilizing influences connected with Aryan culture and polity. Deprived of opportunities for development, these aborigines have seldom acquired ploughs or cattle to enable them to cultivate properly. Underlying the great fertilizing power of wood-ashes, these nomads have been in the habit of descending upon forests on the hill sides with their axes, the only tilling instrument in their possession. They have ruthlessly cut down valuable timber, sparing neither roots nor boughs, and make bonfires of their cuttings. After branch and boughs had been reduced to ashes, these would be spread out over the face of the clearings they would make in the centre of the forest. On the land roughly dug up by the axes they would raise crops of inferior millet or coarsest grains. For the sake of these inferior crops the forests of teak, sal, deodar and other expensive varieties would be mercilessly sacrificed in a most extravagant manner.

In two or three years, when the neighbouring forests were pro-

tically destroyed or rendered useless by the spread of fires from their burning heaps, they would migrate to some more congenial locality, to repeat these depredations and malpractices, removing or leaving behind their bamboo huts with roofs of dried grass.

These practices went on slowly, almost unnoticed, but their cumulative effects spelt disaster to the life of the forests, as these hill tribes were not confined to any particular locality and their destructive work was respectively known as *dhaya* cultivation in Bengal, *kumri* in Madras and *taungya* in Burma. It was after noble forests of pine and teak were nearly denuded or badly mutilated that the extent of the injury was realized at last.

We have called these practices "depredations". Strictly speaking it would not be correct to give them this name, as there were no laws until quite recently, prohibiting shifting cultivation. The forests were extensive, the funds at the disposal of the forest authorities were not allow of maintaining surveillance in inaccessible regions, or in the far interior remote from District headquarters. General sentiment also was in favour of these people who lived a precarious existence. Neither the people nor Government had done anything to uplift them socially or to educate them out of their archaic mode of life. They were shiftless and in a state of chronic unemployment and cutting and hacking trees was their last alternative. The Punjab and Burma, again, were recently annexed, and it was not intended by interfering with old standing customs to make the work of administration more difficult. Hence it was argued that it would be best to leave shifting cultivation alone.

In the Bombay presidency, Dr. Gibson concentrated his energies on securing the prohibition of shifting cultivation as far back as 1838. By 1859 the practice of *kumri* was almost completely stopped. In Belgaum *kumri* cultivation was prohibited except within four miles of the ridge of the ghats in the Bidi Taluk, and within two miles of the ridge in the Padshapur Taluk. Within these limits no timber trees, whether large or small were to be cut down for clearing *kumris* and no grounds within these prescribed limits were to be cleared without the written permission of the District Officers. In the Dhawar Collectorate, thanks to the strict enforcement of rules, the practice of *kumri* became practically extinct.

In June 1864, Mr. J. Shaw Stewart, the Collector of Canara, showed the extent of forest clearance by means of the following

table of statistics, from which an indication may be obtained of the extent of *kumri* operations:

1854-55	}	An average of about 8,000 acres cleared annually.	
1855-56			
1856-57			
1857-58		7,501	acres
1858-59		8,751	"
1859-60		7,357	"
1860-61		6,474	"
1861-62		1,235	" (kumri suppressed).
1862-63		154	"
1863-64		7,144	" (kumri again permitted by the Revenue Commissioner).
1864-65		4,270	" (The Collector authorized his extent for this year).

It must, of course, be remembered that some Forest Officers in their newly found enthusiasm failed to distinguish between the cutting down of *jungles*, a process indispensable to the progress of agriculture, and the extravagant depletion of woodlands incorporated in specific forest areas, which had an injurious effect on the general climate of the country and on the fertility of the areas.

But it is indisputable that shifting cultivation worked havoc to the forests, until its abolition by 1865. Captain Forsyth in his book, "The Highlands of Central India", thus described the methods employed:—

"Though large tracts of splendid level land lie untilled on the Puchmarhi plateau, and in the valleys below, the Korku (*i. e.*, the aborigine in Central India) has no cattle or ploughs with which to break it up... He selects a hill-side where there is a little soil, and a plentiful growth of grass, timber and bamboos. He prefers a place where young straight teak poles grow thick and strong, as they are easiest to cut, and produce most ashes when burnt. He cuts every stick that stands on the selected plot, except the largest trunks, which he lops of their branches and girdles in order that they may shortly die. This he does in the dry season (January to March), and leaves the timber thickly piled on the ground to dry in the torrid sun of the hot season. By the end of May it will be just like tinder, and he then sets fire to it and burns it as nearly as he can to ashes. With all his

labour, however (and he works hard at this spasmodic sort of toil) he will not be able to work all the logs into position to get burnt, and at the end of a week he will rest from his labour, and contemplate with satisfaction the three or four acres of valuable teak forest he has reduced to a heap of ashes, strewn with the charred remains of the larger timber and trunks. He now rakes his ashes evenly over the field and waits for rain, which in due season generally comes. He then takes a few handfuls of one of the coarse grains he subsists on (these are generally Kodon or *Paspalum*, Kulki or *Panicum* and coarse rice) and flings them into the ashes, broadcast if the ground be tolerably level, if steep, then in a line at the top so as to be washed down by the rain. Such is the fertilizing power of the ashes that the crop is generally a productive one, though the individual grains are far smaller than the same species as cultivated in the plains. A fence against wild animals is made round the clearing by cutting trees so as to fall over and interlace with each other, the whole being strongly bound with split bamboos and thorny bushes. The second year the dead trees and half-burnt branches are again ignited, and fresh wood is cut and brought from the adjoining jungle and the same process is repeated. The third year the clearing is usually abandoned."

Strange as it may seem, shifting cultivation continued unobserved and unchecked for nearly sixty years after the establishment of British dominion in India. Dr Cleghorn had this pernicious custom prohibited in Madras in 1860, but the Government of India withdrew the prohibition and it was not until the passing of the Madras Forest Act in 1882, that this system was finally suppressed. In Burma it was taken advantage of by Brandis to promote teak plantations, and the *taungya* cultivators were given free grants of land on condition that before abandoning them they should plant teak seed broadcast in the clearings, cut out weeds and remove rubbish.

Grazing by Nomadic Bands. — Directly connected with shifting cultivation was the question of pasturing the vast herds of cattle brought into the forests by nomadic bands of graziers, believed originally to have migrated from the wilds of Central Asia. It must be borne in mind that neither of these two menaces to the prosperity of the forests proceeded from people of settled avocations and these roving crowds of graziers were aliens on Indian soil precisely as the Korkus, Gonds, Tharus and Bheels, associated with the destructionist tendencies of shifting cultivation, were and have been outside the pale of Aryan civilization.

It was soon forced on the attention of the Foresters that the consumption of grass and in case of browsers of twigs and branches of young trees, must bear some reasonable proportion to the capacity of the forest to meet this steady drain. Bulls, buffaloes and other large animals did a certain amount of damage to saplings and undergrowth by simply treading on them and brushing roughly past the tender seedlings.

Nor did the penning in of enormous collections of cattle, by night and day, in forest tracts, and their promiscuous breeding, add to the sanitary condition of these areas. When grass was consumed, leaves and branches would be invaded. But the most serious danger from grazing manifested itself in the casual habits of firing the forests in order that with the coming of rain, a fresh crop of tender and edible grass might replace such rough kinds as elephant grass and others, which the cattle would not eat. The original intention never was to set fire to the forests, but given favourable conditions such as high winds and the heaping up of dry, inflammable material in the forests, it is highly probable that large forests may through the spread of wild fires be reduced to worthless grass savannahs. And in some cases this did actually happen. Unfortunately in the close vicinity of the conflagrations there were usually to be found heavy and thick bamboo plantations. These would aid the rapid spread of the fires.

The Forest Department wished to take stringent measures against both firing and cattle grazing, but their efforts were inhibited by various considerations. In the first place, these graziers had rights established by custom which no one had hitherto decided to challenge. In the absence of fuel and fodder reserves in the country, they had to turn out their cattle somewhere; besides the normal agricultural populations would also in seasons of drought or famine put their reliance on the forests as their last alternative. The military and the resident European colonies needed milk and butter, and how could these be supplied if the cows were famished or starved to death?

Secondly, as the Forest Department were slowly but steadily enclosing vast forest areas, it was reasonably to be expected that, quite apart from revenue and the extension of the forest estate, the primary and urgent needs of certain communities should be satisfied, as the supply of milk and dairy produce depended on the proper grazing of cattle.

The enforcement of prohibition to enter the forests was looked upon as oppression, and both British and Indian Magistrates upheld

the customary rights of the people to enter and utilize certain forest products. The Forest Department were thus, for some time, isolated from the administrative point of view, they had few supporters save among the highest officials in the Government of India, and they had ranged against them hostile populations who believed that they were being deprived of ancient rights, without any provocation on their part, by the eccentrics and faddists of a new department.

But slowly a definite policy was being shaped. The reserved forests were closed to grazing unconditionally and they were regarded as large fodder reserves in times of scarcity or acute distress. In the protected forests, old grazing rights were respected, provided the supplies required were within the capability of the forests, that due vigilance and surveillance were exercised by the forest staff, and these rights were not to multiply and ramify indefinitely.

With the progressive increase in population and the rapid multiplication of live stock owing to unsupervised inter-breeding, the question of grazing became acute. It was not found desirable to impose too many restrictions or to prohibit grazing, for then the cattle would perish and with them the owners. Neither the Civil Administration nor the more far-sighted among the officials of the Forest Department saw reason for supporting the pleas of the enthusiasts. The result was that grazing had to be *regulated*.

It was true that the cattle were lean and unhealthy, also that their hides were of an inferior quality, but in the absence of an improved quality of live stock, it would be impolitic to make conditions impossible for the existing type. Besides, the question of organizing the fuel and fodder reserves for the people was not and has not yet been taken in hand, in spite of the recommendations of experts like Dr. Voelcker and others. When the 380,000 square miles of communal waste lands are converted into village fodder reserves, the pressure on forest supplies will automatically cease. Both the prosperity of agriculture and the well-being of a vast community demand that this urgent problem be taken up and solved without delay.

Experience dictated that the periodical closure of certain blocks and the opening of others to grazing was imperative if the two vital and somewhat conflicting needs, so far as the potentialities of the forests were concerned, were to be satisfied: these were the needs of resident communities for timber for building houses, and the need for grass by the owners of cattle. The two needs operating simultaneously might draw on the capacities of forests to the point of im-

poverishment and exhaustion. So constant supervision had to be exercised lest, on the one hand, the fanatical views regarding wholesale closures attempted by some forest officers, to the detriment of old recognised rights and accompanied by bitter suffering and privation to the people, should prevail, or that the indefinite satisfaction of vague privileges should, on the other hand, lead to the steady retrogression in the quality and amount of forest produce.

In *bona fide* grazing grounds, like the *bars* of the Southern Punjab, the raising of wood crops was not considered a primary necessity. And the Government laid down the rule that where the fodder supplies were interfered with by large extensions of Government reserves, the provision of fodder should be one of the objectives in the administration of Reserved Areas. The usefulness of scrub forests in the drier parts of the country was also recognised, as during famine cattle could depend on the fodder produced therein. Prof. Stebbing is inclined to think that fodder reserves can be most adequately produced by the reserved forests, managed under working plans and with the special end in view. These can be drawn on when occasion arises.

The aggregate of forest areas, both permanently and periodically closed, has steadily risen and amounted in 1898 to 33,738 square miles. There was a further closure of 28,146 square miles to browsers. The most disastrous effect produced by the grazing of goats was the erosion of the hill sides and the silting up of the rivulets and streams debouching on good agricultural lands, at the foot of the hills. The sandstone formation of the *chos* in the Punjab is very friable, and unrestricted grazing by goats and other animals, loosens the soil and destroys its cohesive powers when the rains come, sand and stone are washed down, doing great damage to cultivated lands, narrowing the river-beds and sometimes altering their direction.

§ 3. ADMINISTRATION OF FIRE PROTECTION.

It would appear that, so far as the Indian forests are concerned, the triple injuries from shifting cultivation, cattle grazing and the lighting up of conflagrations were interconnected and interdependent. The men practising shifting cultivation would fire certain areas with a view to obtain clearings. Similarly the graziers would fell timber for fuel, and when lighting fires for smoking or cooking could through sheer carelessness jeopardize extensive areas, particularly during the

dry season, with high hot winds prevailing. Or they might set fire to certain parts of unclassified open jungles, in order to obtain an abundant crop of young green grass, should the timely rains descend.

It is obvious that people addicted to such casual habits can not be expected to take elaborate precautions against the spread of fire caused by accident or neglect. The Karens in North East Burma and the people of the Garo Hills in Assam are reported to have been exceptions in this respect, as both of them took sufficient trouble to prevent fires from entering or spreading from their clearings.

Prof. Stebbing observes that in the earlier days of the Forest Department, some of its officers were openly sceptical of the possibility of protecting the extensive forests against fire. Incredible as it might sound to-day, the belief was stubbornly and persistently held and expressed that the forests could not be seriously crippled or denuded owing to the spread of fires. The belief was strengthened by the fact that the evergreen forests somehow managed to protect themselves, in spite of the consideration that some of the trees had not the capacity for resistance against fire which trees enjoyed elsewhere. Then again, the trees in the deciduous forests possessed a tough life, an apparently impervious bark and the power of strong resistance. So, it would at times happen that in spite of the thinning of the overhead canopy, and the burning down, year after year, of scattered, interspersed trees, the large majority would enjoy immunity from the fires which would with the lightening of the canopy now tend to be ground fires which could not touch the crowns of trees. Still, far-sighted foresters could see that the process of destruction, though slow, so slow as to discourage pessimism, was nevertheless inevitable unless the state of things was effectively remedied. Pioneers like Ribbentrop attributed the barren character of some of the Indian hill-ranges and the frequent incidence of drought and famine to the breaking out of these fires and their overrunning extensive areas, leading in places to the eradication of forests, in course of time. These would subsequently deteriorate into bamboo jungles. It was the imperative duty of the Forest Officers to point to scrubby tracts overgrown with brushwood which were once forest-clad. The forest laws give adequate protection to the reserved, protected and village forests constituted under the Act of 1882, but these laws do not apply to the open jungles, abutting on Government property.

These open jungles are the sources of danger. When in the dry months of April and May, hot winds blow and the whole country

side is ablaze, one tiny spark may be blown dead across the reserved forests, starting fires which may spread into the interior and cause infinite harm. These forests have, therefore, to be stringently isolated by means of boundaries and fire-traces.

Though the work of fire protection was taken in hand in 1865, at the end of 1881-2 nearly 11,000 square miles of forest land were recorded as protected from fire. By the end of 1885, the protected area rose to 16,000 square miles and in 1900 amounted to 19,000 square miles, according to the calculations of Baron Ribbentrop. In Bombay, fire protection was extended to 7,000 square miles in 1880.

Protection not only averts destruction, but has positive effects on the health, size and girth of trees. The soil which got hardened by periodical fires regains its fertility; even the bamboo shoots get higher and stouter. It is only those areas which have been artificially isolated by fire lines and outward burning that are in the enjoyment of legal protection.

Annual statements are prepared which report progress in the administration of fire conservancy and indicate its expense to the Department. The most recent figure, that is for 1923, is 300,000 rupees or less than 2 % of the annual receipts, which fluctuate between 18 and 20 crores.

But these reports do not possess great value for practical purposes. For conditions vary. The forest which is carefully preserved to-day may be victimized to-morrow. The cost of labour is a variable quantity, conditioned by the distance from the nearest village or the absence of one. Co-operation is effective or otherwise according to whether the villagers are hostile or friendly; protection is effective or flimsy according to whether the dividing line is a broad river or a cultivated field. The abundance or scarcity of water, the existence or absence of motor transport roads are factors which facilitate or retard the process of extinguishing the fires. Weather conditions, such as dewless nights, the direction of winds, moisture in the air or the soil are also an important consideration. It is a complex affair, and the permanent or ephemeral nature of any particular experiment in fire protection is thus dependent on a whole group of circumstances.

The work of fire protection commences early, with the cutting of grass and bushes over thousands of miles of fire lines. When the material has dried up and is in a combustible, inflammatory condition, great vigilance is necessary that it should be burnt without th

fire spreading to the adjacent forests. The fire gangs are generally on duty, night after night, during the hot weather and with the advance of summer, fire-protection gets more and more dangerous and is comparatively safe only during the night. After the fire lines are finished and the fires in the private and unclassified forests have not begun, there is a lull in fire-protection activities. But when the grass and wood fires in the country side are ignited, the surrounding jungle has to be burnt outwards, when fires from outside sweep on to the fire protected forests and the margin of safety is narrow.

Ribbentrop points out that, at times, in spite of every precaution, the fire gets on to the protected area and then a fight begins, compartment after compartment is defended until the fire is well in hand.

The two concrete instances given by Ribbentrop illustrate the usefulness of a systematic protection of forests. He takes the case of the Ratnagiri District in which the rainfall varies between 100 and 150 inches. It is situated on the west coast south of Bombay. Owing to indiscriminate cattle grazing, frequent fires and shifting cultivation, the district was bare to the crest of the ghats, and its four principal streams emerging from the ghats, with a short course to the sea, which were once navigable and carried large ships, now could float boats of very shallow draught, as the catchment areas were narrowed down and silted up owing to beds of sand being washed down from the denuded hillsides. Thus the commercial importance of the place was destroyed, owing to the neglect of the forests. Then again in the Hoshiarpur District of the Punjab, the Siwalik range of hills, which consist of friable sandstone alternating with strata of loam and clay were before the continuous erosion of the hillsides set in, beautifully wooded. The reckless hacking of trees which went on in response to the increasing demand for fuel and timber on the part of a rapidly growing population, was aggravated by the large influx of a floating crowd of graziers; in consequence the hill-side was stripped of vegetation which protected the soil against decomposition. Huge belts of sand separated and were carried down by the rains, laying waste 70,000 acres of arable land of great fertility. This district, once very important for its cultivation, is now traversed by broad, parallel belts of sand.

Streams coming down from fire-protected areas are not very wide and have narrow, well regulated channels. Protection minimises the danger from landslides and sudden floods. It is also claimed that in certain areas protected by dense vegetation, water can be obtained

at a depth of about 15 feet, whereas in tracts deprived of forest growth, sub-soil water is generally below the depth of 25 feet.

Where water is stored in big reservoirs or earthen embankments round depressions in the valleys, erosion and denudation of the hills must be specially guarded against, otherwise all the accompaniments of erosion follow, including the destruction of the embankments and the muddying of the water supply.

§ 4. EXPLOITATION, BUILDINGS AND COMMUNICATIONS.

Before forest operations on scientific lines made their appearance, both the extraction of timber from the forests and their transport to the markets were conducted by wasteful and primitive methods. Enough has already been said regarding the cutting down of young plants and the absence of a policy directed towards the maintenance of forest growth by planting seedlings to replace the trees felled. The extraction itself was extravagant and unmethodical, and it has been surmised that not more than 40 % of the felled trees ever reached the markets. Logs and rough planks were tumbled down the steep hillsides and those which survived this treatment were thrown long distances along steep inclines into the neighbouring streams whence they could be floated down to the markets.

It was a very curious symptom of the narrow mentality of those days that, in spite of the existence in a thriving condition and on an extensive scale of valuable woods of different kinds in the forests, no serious attempt was ever made to place them in the world markets. Prof. Stebbing suggests that the opposition of vested interests, particularly in the London markets, was formidable.

Though there has been a small local demand for the less known varieties of timber, the Indian timber trade very largely indents on teak, deodar (*Cupressus deodara*), sāl (*Shorea robusta*), *Dalbergia Sissoo*, *Dalbergia latifolia*, *Acacia Catechu*, *Acacia arabica*, sandal and *Cedrela Toona*.

In the opening years of the present century, some points of contact were established between Indian supply and spasmodic European demands. The Department has always urged that it has neither the time nor funds to undertake a systematic publicity without which an extensive export trade resting on a profitable commercial basis can not be built up. Besides, the freight charges on Indian railways,

unless modified, would force up the sale prices and thus discourage this business indirectly.

It may incidentally be mentioned that throughout the centuries India has carried on important timber trade with Abyssynia, Madagascar and Arabia. Arabia had the strongest navy in the East up to the middle of the 18th century and possibly till later, and thus drew on large supplies of teak for the construction of her ships. And it was in this timber that the forests of India and Burma abounded.

But the bulk of her export trade consisted of scented and precious woods, such as sandal, mahogany and blackwood, and it would appear that the Forest Department are beginning to realize the importance, in forest economy, of these valuable species of timber. More important still is the urgent necessity for extending rubber plantations, under the direct auspices of the Forest Department, in view of the enhanced need of indiarubber in the economic reconstruction which is already in progress and for supplying overseas demand.

The different stages in the development of a policy of exploitation were : —

1. Contractors were empowered to cut as much wood as they desired, on the payment of a fixed sum to the Government. The assumption was that extraction would be orderly, young trees would be spared and seedlings planted to take the places of felled timber.

2. Forest areas were leased to capitalists and private enterprise was responsible for the removal and disposal of the produce.

Various expedients were devised for checking the reckless cutting down of trees irrespective of age or value. Thus the contracts were to be converted, at one time, into leases for perpetuity on condition that for every tree felled, 3, 4 or even 8 new ones were to be planted. Logs were liable to a 15% *ad valorem* duty at the different revenue stations, regardless of size. This rule was passed to discountenance the destruction of immature trees. But for one reason or another, these schemes failed to act as a sufficient deterrent to the mutilation and rapid disappearance of one forest after another. The Department ultimately took charge of every operation, including ringing and girdling. The purchasers had to give a detailed account of their requirements beforehand, and the felling and removal were arranged under the strict supervision of the Forest executive. It was for the latter to say which trees would be sold and which reserved for the exclusive benefit of the forest. It may sound paradoxical, but the Government realized quite an insubstantial amount of revenue

from the forests, so long as their chief aim was the collection of revenue. In 1900, the area of the Burma Forests alone was 7,679 square miles for Lower Burma and 7,988 square miles for Upper Burma. The receipts amounted to 13*d.* per acre as compared to 5*s.* (Prussia) and 20*s.* (Saxony) per acre of the continental forests. But even so the receipts were far in excess of those from other parts of India.

Attempts were also made to introduce the new species like *Xylia dolabriformis* and the Andaman padouk to the general market, by establishing steam saw-mills near the forests, so that by keeping low the cost of extraction the sale prices might also be kept low. But Ribbentrop discovered from personal experience how difficult it was to fight the opposition and conservatism of the railway authorities, who did not approve of the less known kinds of timber for sleepers the State Railways, though the Madras Gun-carriage Factory was supplied with padouk as far back as 1875. Not only from the standpoint of development is the systematic exploitation of forests a vital necessity, as the progressive removal of different species in the *peuplement* of the forests benefits silviculture immensely, but also from the point of view of forest revenue it is absolutely necessary that accelerated exploitation should find a normal outlet in a definitely established export trade, in the British markets and elsewhere.

Mr. Gamble in his "Manual of Indian Timbers" gives much useful information regarding the qualities of Indian woods. Forest experts think that the publicity methods employed since the Paris Exhibition of 1878 have been more or less archaic and ineffective, as the supplying of a few hand-pieces to exhibitions, museums and private parties is not the proper advertisement calculated to invite regular custom.

The only effective advertisement of the technical qualities of Indian timbers is the establishment of forest industries in the vicinity of Indian forests, and the sending over to fairs, exhibitions, museums, etc., of the manufactured articles. So far the Department have pleaded lack of time and funds, but it is to be hoped that now that the Forests in Bombay and Burma at least have been transferred to the control of Indian ministers, sufficient and sustained interest will be taken in the development of forest industries and an adequate advertisement of the major forest produce.

For some time, it was recommended by the Department that the pine forests should yield their share of commercial timber, but it was found that impregnation with creosote was necessary, but that

creosote imported from England did not retain its qualities in a different climate. The experiments did not produce any appreciable results and were shortly after abandoned.

The Department steadily promoted facilities in transport by the construction of proper slides, sledgeways and sleeper chutes and the narrow channels and shallow beds of hill streams were greatly improved by blasting operations. Besides, a purely commercial exploitation was replaced by scientific management under which only the standing "coupes" were sold to contractors.

The Forest Department could not initiate any helpful schemes for transport, as the Conservators urged lack of funds. This state of affairs continued until the end of last century when haulage by elephant or buffalo, or extraction in carts drawn by buffaloes along muddy, rutty byways was the prevailing practice. The high freights charged by the railway companies were prohibitive for speedy transport. Bengal, Burma, Assam and parts of Madras were fortunate in this direction as these had magnificent waterways. But over the greater part of the country, the chief means of communication were practically worthless, and the making of roadways remained handicapped by the extreme parsimony of the Department in this respect.

Mr. Ribbentrop wrote in his capacity as Inspector-general that before 1880-1881 the approximate expenditure on communications and buildings amounted to Rs. 1,30,000 per annum or 2.23 per cent. of the gross revenue; that from 1885-6 to the end of 1897-8 the expenditure averaged Rs. 3,47,000 per annum, amounting to 2.28 per cent. of the gross revenue and that even during 1898-99 the expenditure, though it rose a little more rapidly, amounted only to 2.73 per cent. of the revenue. He pointed out that a vast field for their energy was still before them, that the work could not be rushed and careful examination of plans must come before the spending of Government money. The system of major export lines such as railways and metalled roads, Ribbentrop suggested, was constantly developing and good feeder-roads were advancing, though painfully slowly.

Forest tramways, which should be fostered and extended as an invaluable means of cheap transport, covered only thirty miles throughout India. Such elementary appliances as portable saw-mills remained unknown until the close of the last century.

But the real contribution of the Department to the improvement of facilities in the extraction of timber was the blasting operations carried out for the hill-streams and rivers in Burma and the Himalaya

and the construction of timber slides in the Western Himalaya, of which the largest was the Bakani Slide in Chamba. Big logs containing up to 365 cubic feet were despatched down the slide, a distance of three miles to the river, from a forest which had hitherto been inaccessible.

As regards houses for the subordinate staff, they continued to be mud-plastered shanties, or quickly improvised bamboo huts, covered with thatched roofs, until the end of the century.

The controlling staff either used tents while on tour, or lived in the rest houses or Dak Bungalows, in regard to which the United Provinces took pride of place. In both Eastern and Western Himalaya, there was a series of commodious rest-houses which fully protected against the inclemencies of the Indian climate.

Prof. Stebbing observes that neglect in the matter of accommodation was quite understandable while the Department were engrossed in heavy work in unexplored regions. But the persistence of this neglect, long after the initial stages were past, bore witness to the fact that the responsible officials failed to associate the heavy mortality among officers with the absence of comfortable or adequate housing accommodation for them.

When Dr. Schlich was Inspector-general, the manufacturing possibilities of the bamboo were being enquired into and the Department were anxious to know if the making of paper pulp from bamboos could be placed on a commercial basis. A consignment was sent to Messrs Routledge who reported that the process of making paper was too expensive to make the undertaking a remunerative concern. But this business has now been seriously taken in hand, and the experts have discovered that there are no obstacles whatever in the way of making this experiment profitable. It was a pity that bamboos were not exploited even for making umbrellas, for which there is a great demand all over the country. The minor forest produce could also be profitably employed to encourage the manufacture of furniture of every description, tables, chairs, baskets, etc., as there are so many varieties of valuable timber.

But the root of the trouble was that the Forest Research Officer had not yet made his appearance, and it is only quite recently that his labours have begun.

Mr. Ribbentrop warned the Department in 1900 that India's trade in caoutchouc was rapidly on the decline: from 1870-1876 the export averaged 785 tons per annum and in 1897-98 it fell to 278 tons.

only. The price, on the other hand, rose from 1,356 to 3,038 rupees per ton. If a larger quantity of rubber was procurable, it would surely be forthcoming under the stimulus of high prices. Unfortunately a very small proportion of all the rubber exported from India — and that is a negligible quantity — is produced within the country under effective control. It may, therefore, be assumed according to Ribbentrop that most of the trees yielding the larger supplies are dead.

The trade in myrabolams has increased and has quite recently maintained itself at upwards of 44,000 tons. The trade in cardamoms is interesting but more or less of a speculative nature; besides it is very small. The Government have recently built a small distillery at Dehra Dun to introduce the resin of *Pinus longifolia* into the market, as colophony and turpentine. Another larger distillery is being set up in the Kangra forest of the Punjab.

§ 5. ORGANIZATION AND EDUCATION OF THE FOREST STAFF.

When the Department was first created, officers with special scientific training were not available to fill the higher administrative or executive posts. The Public Works Department and the Army contributed more than their quota by lending or transferring their respective officers to the Forest Service. Training in botany or applied chemistry or geology was in those days the monopoly of the Indian Medical Service. These conditions prevailed until 1865, possibly until later.

With the coming of the Department on reconstituted lines, a larger number of officers were in demand. There was a special appropriateness in accepting the offers of the Public Works Department as their officers should supervise the exploitation of timber for the public buildings under contemplation. The Army also supplied a fuller contingent of officers than before, the selection being determined by such considerations as their being good sportsmen or keen naturalists. And it must be said to the credit of these men that though a scientific development of forestry was beyond their capacities they gave a very good account of themselves as organizers in the protection of the forests. And before their recruitment, the Civil Administration had conducted forest operations as part of their normal routine duties. Brandis, as Inspector-general, was quick to perceive that a rule-of-thumb procedure was no proper substitute for technical forestry training.

By 1870, the probationers selected in England were required to go through a preliminary training in French and German forests, before taking up their duties in India. The Controlling Staff consisted of so many Conservators of Forests in charge of the provinces and presidencies, each conservator having a varying number of officers under him in forest charge of the Districts. The unit of administration or the areas under the charge of these officers was called a Forest Division. When these changes first began to operate, the Conservator was called upon not only to discharge the duties peculiar to his office, but also to undertake most of the executive work himself.

The Divisional Officer subsequently relieved the Conservator of these extra burdens, in order that the Administrative Head of the Department might be free to concentrate on the larger questions of policy. Some had anticipated that the subdivision or range, in charge of the "Ranger" would sooner or later form the unit of administration. But the Rangers appeared very slowly. In those days the Forest Department was, for various reasons, maintained as a close preserve for Europeans, the scope for the employment of educated Indians was very narrow, suitable facilities for training on the spot were practically non-existent, and the exiguous salaries (5 or 6 rupees a month) offered to forest guards and peons attracted a class of men who were more a hindrance than a help, though the entire burden of policing the forests fell on their shoulders.

The provincial Forest Service was created later to invite a better and superior type of candidate for appointments below the Imperial or controlling cadre. This was a considerable improvement as even the Rangers could qualify for higher offices and rise to be Extra-Assistant Conservators after passing examinations and showing satisfactory work to their credit.

It will be necessary to deal with the origin and development of the three Services before treating of the progress of forestry training appropriate to them.

The Controlling Staff. — With the ramifications of work and responsibilities, it was discovered that the provinces were too heavy a charge on the energies of one Conservator in control of each. The inevitable sub-division of the province into so many "circles" made it necessary — at least so the Department decided — that a Conservator should be appointed to each "circle". In 1873, the Bombay Presidency was split up, for instance, into three conservatorships. The

separation of Assam from Bengal in 1874 made it imperative that another post of Conservator should be created.

The North-West Provinces and Oudh were divided into three circles in 1878, while Madras was formed into a Northern and Southern circle in 1883. The sub-division of circles and the multiplication of conservatorships proceeded apace. In 1869, the first published list of Conservators, Deputy and Assistant Conservators under the Government of India contained 57 Officers, costing Rs. 94,618 per annum. In 1882, the number of controlling officers rose to 94, the annual establishment charges for the directing staff mounting up to 6,29,424 rupees, this figure covering the cost of the Assistants on the higher personnel.

In 1882, the average monthly salary per officer was Rs. 558 ; shortly afterwards it was raised, on the recommendation of Doctor Schlich, then Conservator of Forests and Officiating Inspector-general, to Rs. 642. Under a re-organization scheme sanctioned in February 1891, further additions were made to the superior service, until in 1900 the personnel was raised to 213 thus:—

	No. of Officers	Rates of pay Rs.
Inspector-general of Forests to the Government of India	1	2,000 to 2,500
Conservators of Forests	19	1,100 to 1,600
Deputy Conservators of Forests . . .	122	550 to 900
Assistant Conservators of Forests . .	65	350 to 450
Special Appointments	7	No fixed rates.
Total . . .	213	

The Forest Staff in the different provinces was decentralized in 1885, but the officers involved complained that the field of promotion was greatly restricted thereby, and in response to their complaints an amalgamation was brought about between the Services of the Punjab, Coorg, Berar, Baluchistan and the Central Provinces, with a view to extending the scope of promotion. The proposal to apply the principle of amalgamation to the North-West Provinces and Oudh, Bengal and Assam was opposed by the Local Governments and the steady flow of promotion was to be insured by a scheme of transfers as between the provinces.

The Forest Department was originally placed under the Secretary of the Public Works Department. In 1871 it was transferred to the recently established Department of Revenue and Agriculture. Since 1891 it has remained in charge of the member holding the portfolio of the Home Department.

The Provincial Service was created in February 1891, on the basal assumption that the "Imperial" staff should be a *corps élite*, to be recruited in England and officered by men of European extraction. Even before 1891, some sort of a provincial service already existed into which were pitchforked the sons or nephews of officers in the higher branches, ambitious and enterprizing young men without substantial education or scientific training but who hoped to acquit themselves creditably with such expert guidance as the responsible officers could give them and thus obtain promotion to the superior cadres of the service. It was discovered that some gave an excellent account of themselves, although the failures outnumbered the successes. Baron Ribbentrop in 1899 described this new departure as follows :

"Previous to this reorganization we had only 47 sub-assistant conservatorships on salaries ranging from Rs. 175 to Rs. 250 per mensem, which continued to be available for the patronage of Local Governments, and which were, as a rule, given to young men of European extraction, though their education, technical and otherwise, was by no means superior to that of the Native Rangers, who had passed alongside of them in the Dehra Dun Forest School. It was evident that under these circumstances it was hardly possible to build up a thoroughly strong Executive Service, and it was recognized that in order to effect this and to attract the best men in sufficient numbers, the whole of the appointments in the Provincial Service must become prizes of the Rangers' or the Executive Service, and be obtainable only after service in the lower branches. This was the principle on which the Provincial Service was reorganized.

"In the place of 47 appointments of Rs.175 to Rs.250, 86 were sanctioned on Rs.250 to Rs.350, to which six have since been added, making a total of 92. In addition to this, it was decided to gradually increase the Provincial Service by the transfer to it in the course of 20 years of 20 % of the appointments held by the Imperial Service. The salaries of these appointments have been fixed at Rs.350 to Rs.600. During the last seven years 19 appointments have thus been transferred, leaving 24 to be similarly dealt with during the next 13 years.

By this time, the first appointments will have risen into the higher grades.

"When the reorganization was first promulgated, sufficiently qualified men were not available, and young men of European origin grasped the situation more rapidly, and came into the Service in considerable numbers. The first who came had naturally fairly rapid advancement, but as matters settle themselves down the fact must not be lost sight of that, though there will be prizes in the course of the next thirteen years up to Rs 600 per mensem, the average pay of the combined executive and provincial services will amount only to Rs 134 " (1)

The subordinate staff, which was the most difficult to recruit, has been the most important link in the chain of Forest Administration, as to these subordinates fell the onerous task of attending to minute detail, carrying out numerous instructions, doing actual surveillance, reporting offenders, policing the forests and many other duties of an exacting and miscellaneous nature. There were many difficulties in the way of their recruitment. It can easily be imagined what sort of candidates would be found to hazard their lives in malaria-ridden jungles or tiger-infested fastnesses for the merest pittance, five to eight rupees a month. It is said of the reclamation of parts of the Sunderbuns that most arduous work has been done in marshes full of crocodiles and jungles full of tigers! The writer was told by Mr Millward, the Forest expert, that it was quite a usual occurrence for every tenth member of a labour gang to be fallen upon or carried away by a man-eating tiger.

The most suitable candidates would, of course, be those born and brought up in the vicinity of forests and to some extent accustomed to the adventures and inured to the privations and hardships of life in the forest. The town dwellers have been loth to offer their services.

Besides, as has been pointed out, there was little inducement to serve in the lower subordinate branches. The controlling staff had the satisfaction that they were pursuing their ideals and duties, as well as establishing their prospects on a generous scale. The subordinate executive staff had no such satisfaction nor had they compensating benefits even after a life-time of work. It was a great improvement, therefore, when the principle was laid down that there would be

continuous and steady promotion from the lowest grades to the higher and that the appointments in the provincial service were to be obtained only after service in the lower branches.

The back-bone of the Forest Service in its lower branches were naturally the hill tribesmen, the aborigines who were driven away by the invading Aryans to seek a refuge and habitation in forest-clad country. These men were not educated and, therefore, in the initial stages the Divisional Officer was compelled to devote his time and energies to routine duties, much to the detriment of his own work. Forest-guards and Rangers were appointed by the Divisional Officer as they were needed, with no prospects before them.

The establishment of the Dehra Dun Forest School, where selected men were to be given training for Rangers' posts did make some difference, but even so these posts continued to be nondescript, with precarious chances of promotion.

The Progress of Forestry Education. — Up to 1870 the selected probationers from England underwent training in the Nancy Forest School, France, or in Germany where tours of demonstration were regularly conducted through the Black Forest. It was constantly commented upon that the natural aversion of the British candidates from acquiring proficiency in French and German might compromise efficiency, as the lectures and demonstrations must, of necessity, be given in the foreign languages.

With the outbreak of the Franco-Prussian war, Nancy had to be closed and abandoned immediately, but the probationers were removed to Scotland, where their training continued without interruption, under the supervision of Dr. Cleghorn. The students sent to Germany continued with their studies and practical training there up to 1875. After the cessation of hostilities, the idea was seriously debated by the India Office, whether the difficulties which had arisen in France might not supervene elsewhere, and that the best course to adopt was to continue training in their own country, where the language difficulty did not exist. But the Government of India were opposed to the change of places, as some of the continent-trained men had made notable contributions to the conservancy and development of Indian Forests. Ribbentrop wrote of the Officers trained under the continental regime :

“ The Officers obtained under this system have, with few exceptions, which must always occur, greatly helped in the introduction of a sound forestry system into the Empire, and our present class

of conservators, permanent and officiating, is greatly composed of them. They are good foresters and good administrators. The Officers who joined during the last years of recruitment through Nancy, though death and retirement have greatly reduced their number, still present a rich field of selection for the class of Conservators " (1).

There existed, at the time, under the auspices of the India Office, an Institution called Cooper's Hill College where the candidates for the Public Works Department and the Indian Telegraph Service received their training. This institution resembled Haileybury College of the East India Company's days, and here the India Office decided in 1885 to train probationers for the Indian Forests Service. Dr. Schlich, at one time officiating Inspector-General of Forests in India, was appointed the first Professor of Forestry, and under his expert guidance, a batch of successful and keen foresters joined the Indian Forest Department, some of whom greatly distinguished themselves and many reflected credit on the superb intelligence, tact and enthusiasm of the pioneer forester, who helped to make Cooper's Hill an indubitable success from the very commencement.

Dr. Schlich, however, was anxious from the time he assumed responsibility as professor to make of Cooper's Hill a National School of Forestry, but public opinion was in those days either indifferent or ill-informed regarding the vital urgency of forestry training and did not support his proposals. But some of his proposals were readily accepted by the India Office as well as by the Government of India. These were to extend the course of training at Cooper's Hill to a period of three years, as the 26 months prescribed for the whole training were regarded as insufficient and out of these, four months were to be devoted to the acquirement of practical knowledge of the way in which British and German forests were managed.

Dr. Schlich also recommended the appointment of an Assistant Professor of Forestry who might accompany the probationers on their continental trips, in order that his own two terms thus spent might be diverted to the organization of studies and concentration on the work which legitimately belongs to the professor in responsible charge of a college. This recommendation was also sanctioned. Since 1890, the appointments for probationerships have been notified as involving a regular study for three years.

(1) RIBBENTROP (B) : Forestry in British India.

Before selection, the candidates were required to submit to a competitive examination held annually by the Civil Service Commissioners in London. The subjects in the examination curriculum were English, mathematics, natural sciences and French or German. The candidates were expected to pass in each group. The choice of subjects disturbed some of the public school authorities, as their boys had to leave their studies — those who desired to sit for the competitive examination — for a crammer in order to get up some of the subjects which were quite new to them. In the prospectus for 1900, botany was added to the list of subjects in which success was necessary for securing an appointment. As the result of outside opposition, the nature of the test was assimilated to that which obtained for Sandhurst. Messrs Schlich, Ribbentrop and Hill were greatly opposed to this innovation and looked upon it as a retrograde measure, since the exclusion of science made the examination appear quite a ridiculous affair.

Between 1866 and 1899, 207 professionally trained men were sent out from England to join the Forest Service ; 112 of these were trained at Cooper's Hill.

Brandis had foreseen as early as 1869 that the training of the subordinate staff was essential. The upper controlling staff was necessarily limited in numbers and the lower executive could not intelligently carry out their duties without technical education in forestry. At the beginning some provision was made for the training of carefully selected men, who were placed under the supervision of officers who were requested to teach them, during spare hours, the principles and theory of forestry. This plan did not produce much fruit, as the officers were already overburdened with administrative work and duties of a miscellaneous nature, and it was idle to expect that they should add to these burdens by taking on the instruction of Rangers in the theoretical and scientific aspects of forestry. A few good men were, of course, trained in this manner, but they were too few to cope with the manifold needs of a rapidly expanding Department.

In 1873, Dr. Schlich, realizing the comparative futility of the above methods of training, proposed that courses in forestry should be added to the curriculum of studies at Roorkee, where the instruction given to rangers only helped in turning out good overseers and draughtsmen who could help in the construction of roads and bridges, but who remained absolutely uninstructed in the elementary

principles of scientific forestry. Dr. Schlich's proposal was not accepted. Later on Brandis took advantage of the establishment at Dehra Dun of a Forest Survey branch under Captain Bailey for the instruction of young Forest Officers to recommend the setting up of a Forest School at Dehra. The place offered exceptional facilities : nearly 2,000 feet high, it is situated on a plateau with the Himalaya to the North and the Hills of the Siwalik range to the South. To the North are to be found deodar, oak, pine, fir and spruce forests, while the plateau itself and the Siwalik Hills abound in sāl forests and other varieties of timber. Brandis laid the foundations of a Forestry Museum and Library in Dehra, while Mr Baden-Powell of the Indian Civil Service addressed the Local Government on the need of establishing a Forest School there, especially as the nucleus of teaching staff already existed in the person of Captain Bailey and his colleagues.

This suggestion was finally adopted and the first Forest School in the British Empire was established in 1878. The forests of the plateau and the Siwaliks between the Ganges and Jumna and the forests of the Chakrata Division were set apart as the training forests and formed into a separate circle under the control of the Director of the School.

At first the School was within the jurisdiction of the Government of the United Provinces, but subsequently it was converted into an Imperial Institution and permission was accorded to appoint a Board of Control whose assigned duties were to arrange the conduct of examinations, to organize the curriculum of studies, to lay down the conditions for admission, to advise the issue and publication of prospectuses and to decide on the relative number of marks for the various certificates, pass and honours.

The courses of study were judiciously selected and the School, from its very commencement, turned out men who more than satisfied the expectations entertained about them.

The distinctions between the Imperial and provincial branches still remained, and were one of the main reasons why educated Indians of the higher social stratum held aloof from the Department from its very inception. They were ultra-sensitive and prone to smart under the stigma of inferiority. Happily, under the recent reconstruction scheme, these distinctions have been brushed aside, and in the Forest Departments of Bombay and Burma at least, no jolly qualified Forester can now reasonably suggest that there is any

restriction of opportunity or any bar to promotion to the highest offices, while to the Forest Departments of other provinces, capable and competent Indians can either be nominated in India, or appointed in England after competing on terms of equality with other candidates.

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FARM HOUSEHOLD MANAGEMENT INSTRUCTION IN GERMANY.

The need for an acquaintance with farm household economy varies considerably according to the nature and extent of the farm holdings. While on the small holdings and with the farm hands who own a little land the greater part of the farm work falls on the woman as well as the management of the house, on the larger farms there is a reduction in the work so far as it falls upon her. At the same time in most peasant households even of the larger type she has the care of the garden, the poultry, the dairy, the young pigs and cattle. Even if the direction of the farm is often in the hands of the man and the greater amount of the work done by others, paid or otherwise, the responsibility for the daily work usually rests with the woman. On the smaller farms the management of the dairy, the poultry yard and the garden is in many cases her affair even when there are persons specially told off for certain parts of the work.

However important the activities of the woman on the farm, her main sphere of action is always the management of the house. She is primarily responsible for the well-being of the family. The woman's share in the farm work may sensibly increase the gross yield, and the net profit may also be larger in consequence of her excellent administration of her trust and thus the economic basis of the family may be generally improved and strengthened, but its real well-being depends in the first place on the extent to which she is successful in managing the house so that all feel at home in it and the house is a true abode of peace. This will be the more evident when means are small and the limitations of domestic life cannot be compensated by outside pleasures. For this reason it is often rightly remarked that the agricultural labourer and small peasant class can only achieve

better conditions of living and comfort according as the woman improves her qualities as housewife. In any case the sphere of her activity remains of the agricultural domestic type, which extends the circle of her duties much beyond those of the town woman.

The position of the rural housewife is also made much more difficult by the fact that the field of her activity in the home is much wider than in the town. While in the town, for example, in the greater number of cases, assistance, help and advice can be promptly obtained at any time, this is much less easy in the country. The good housewife must possess sound judgment and capacity in many departments of hygiene, in sick nursing, care of young children and nursing mothers. Similarly in other spheres of work the rural housewife finds that her conditions differ from those of the town housewife. Field work usually requires clothing of a stouter kind than that worn in the town. It is impossible to say whether the keeping of such clothing in order is particularly difficult in the country, it is undoubtedly the fact that in many country districts the rural housewife assumes a great part of the care of the family wardrobe, sewing, mending, knitting stockings, spinning and weaving. The attentive observer will generally note that the family conditions are much better where this ancient custom has not been given up.

Hence both on small and large farms the range of activity of the rural housewife is very wide and varied, since undoubtedly more duties fall to her lot than to the majority of people.

It is extraordinarily difficult, too, to relieve her of any part of the burden. It is impossible to find helpers for pieces of work which take a short time each day, without waste of time and strength and without interference with the smooth running of the establishment. And as the helpers would have to be paid, there are also economic reasons against such delegation. In consequence and until there is a change in general conditions, it is of the utmost importance for the rural housewife to learn how to utilize and economize her time and her strength to best advantage.

The need for the sound instruction of farm women for their various duties in the house and on the farm would seem to be beyond dispute; there has been and still remains much uncertainty as to the means for achieving this end.

As a rule up to the present day the general desire has been to acquire the knowledge and skill necessary for work on the land by

taking a practical share in the work of a farm. Up to fifty years ago the farm was itself the school where the farmer's son or daughter gained the necessary knowledge and practical skill. By degrees it became the practice for the sons and more particularly for the daughters to go to work on another farm. Serious mistakes were however often made in the choice of a farm, especially in the case of the young girls. Young women, the daughters of labourers and of small holders were for example placed out to work on large estates, which although well managed and providing better conditions than the farms from which they came, could not serve as a model for the work to be done in their future homes, which in most cases would be peasant homes. On the small farm holdings there can be no division of labour, employment of machines or of special appliances and installations, such as exist on the large estates. Often, too, the young peasants went into service in the towns, preferably to the restaurants and inns to learn cooking, but what they learnt was of no use to them at home. The lessons learnt in the town also rather tended to alienate the future rural housewives from country life than to attract them to it. It would be no exaggeration to attribute in some degree to the instruction of country girls in town establishments and institutions the phenomenon of the introduction into rural dwellings of town habits of life.

If in the abstract it might be supposed that the necessary knowledge could be acquired by practice only, it very soon had to be realized that the desired end could not be reached in that way. In view of this fact there began to be founded towards the end of last century special institutions for the instruction of young peasant girls in farm household management. The number of these schools showed a steady increase, but it became necessary to recognize the need for an important distinction. Account had to be taken not only of the diverse requirements of the various kinds of farm, large and small, but also of the economic resources of the farmers and the readiness of the parents to make sacrifices for the instruction of their daughters. In this way four principal types of instruction in rural housewifery were gradually developed.

1. Continuation courses (*hauswirtschaftliche Fortbildungskurse*) for young girls who have passed through the rural elementary schools. They carry on their own occupations, giving up only some hours or a half day weekly to the courses of instruction.

2. The travelling school of farm household management (*landwirtschaftliche Wanderhaushaltungsschule*). This institution is equipped with a permanent staff and adequate apparatus for instruction but has no fixed premises. It is moved — within a limited area — from place to place and holds courses lasting for eight or 10 weeks. During this period, the girls do not follow their ordinary occupations but devote themselves exclusively to their training.

3. Farm household management schools at fixed centres (*landwirtschaftliche Haushaltungsschule mit festem Sitz*). These are adapted to the special needs of peasant proprietors. The courses are usually for a year, sometimes for six months, occasionally for more than a year. The charges to the students are naturally somewhat high, and on that account there have been established some boarding establishments which make it possible to reduce the budget, as they are used by wider areas.

4. Rural economy schools for girls and women (*wirtschaftliche Frauenschule auf dem Lande*). This type is intended in the first instance for the instruction of the daughters of large farmers and in the second place for that of women employed on large farms. The teaching equipment is much more complete than that of the school of farm household management. Since, however, the courses are quite short, a higher standard of general education is required for admission than in the other cases.

For the present other minor institutions may be left out of consideration. The training of girls in school to domestic duties, which is now the rule in towns, has remained almost unknown in the country districts. The reason is to be found partly in the shortage of school staff, there being very few women teachers in the country, partly in the high cost involved. The instruction given up to the present by the rural welfare schools (*Landplegeschulen*) is almost negligible; there are only three of them, each with from 15 to 20 pupils. At the same time, it cannot be denied that they possess a certain value, since their object is a sound combination of home and social training.

In view of these educational developments, it was natural that the question would shortly arise as to the training of teachers for schools of this type, and that special institutions for training mistresses in all the subjects would become necessary. Such are the normal schools (*Seminare*) attached to certain schools of agriculture for women.

§ 1. RURAL CONTINUATION SCHOOLS FOR GIRLS.

(Mädchen-Fortbildungsschule auf dem Lande)

This type of school in Germany is much more recent in origin than the continuation schools for boys. The movement was initiated by the girls themselves who demanded not to be left behind their contemporaries of the other sex. The schools set up in response to this appeal are generally imitations of the boys' continuation schools and have no particular bearing on feminine interests, and no special teaching in household management is arranged.

The introduction of this instruction is partly the result of vocational agricultural representation. Among the leaders of the agricultural world the conviction is becoming more and more pronounced that the improvement of the farms depends on the suitable instruction of the farmers' wives and that the problem of the agricultural labourers is to a large extent bound up with that of the housewives. Hence an insistent demand was made, not only for schools of household management, but also for continuation courses in domestic economy for young girls who have passed through the elementary school (1).

In some States of Germany there have been in existence for some time continuation schools for farmers' daughters, attendance at which is often compulsory. Thus Bavaria has had from 1810 a compulsory continuation school for girls in the form of a holiday school. The object of these schools was to give a general education, excluding the teaching of domestic economy, but they had the merit of being a starting point for the general institution of continuation schools for girls, in which instruction in household management formed part of the course. The same phenomenon was to be observed, for example, in the former Grand-Duchy of Baden and the former Kingdom of Saxony.

An excellent institution existed in the small Duchy of Saxe-Meiningen, where by the law of January 1908 a continuation school for girls was instituted with a wide range of subjects bearing on household work, including cookery, care of the dwelling house, heating,

(1) In this connection see *Die Verhandlungen des Königlich-Preussischen Landes-Ökonomie-Kollegiums von den Jahren 1895 und 1909 in Oldenburg: Das landwirtschaftliche und zweckverwandte Unterrichtswesen im Königreich Preussen.* (Reports for the years 1906, 1907, 1908, Berlin, 1910; Reports for the years 1909, 1910 1911, Berlin, 1913)

lighting, laundry, household linen, hygiene, care of the sick, training of children, etc. (1).

In spite of these beginnings, attendance at the continuation schools for girls in Germany was, up to the time of the World War, merely voluntary, and no special support was given to the schools by the central authorities, which were more interested in the travelling schools of household management.

On the other hand, for example in the Rhine province and in Eastern Prussia, local institutions have done much to encourage the continuation schools for girls and in them the teaching of household management. But before the War, Prussia had only about 100 schools of this type, while there were nearly 7,000 similar boys' schools and even this number only represented a fifth of the real requirements.

When, during the War, the management of the house passed to a fuller extent into the hands of the women, an even more insistent demand came from the women themselves for suitable continuation instruction for the young girls of the country districts. It was the subject of discussion at many meetings of the Permanent Committee for the Interests of Working Women (*Ständige Ausschuss zur Förderung der Arbeiterinneninteressen*).

The course of the discussions was much influenced by the issue of a questionnaire by the Prussian Minister of Agriculture, asking for replies to the following questions:

1. What should be the object of the rural continuation school for girls?

2. Do you consider as essential and practicable a curriculum which includes farm household management?

3. If the answer is in the affirmative, would it be feasible to co-ordinate such instruction with institutions already in existence, e. g., the elementary school, the rural household management school, whether travelling or at a fixed centre, etc?

4. (a) For how many years	} should the instruction be given?
(b) For how many hours in the year	
(c) At what season of the year	
(d) To girls of what ages	

5. What is the best method of combining the continuation instruction with the domestic and vocational duties of the girls?

6. To whom should the general instruction be entrusted? (To

(1) Cf. *Zeitschrift für das ländliche Fortbildungsschulwesen im Königreich Preussen*, Year 1912-13, pp 112 et seq; year 1910-11, pp 326 et seq

the minister ? the schoolmaster ?), the household management and the farming subjects (rural household management mistresses ? communal inspectors ? rural advisors ?).

7. What proposals can be made to solve the problem of the expenses, particularly as regards the payment of the permanent staff of household economy teachers ? (1).

As the main outcome of the various discussions it may be regarded as established that in the country districts in general farm household management instruction in the continuation schools is considered essential. The Permanent Committee, for example, requires two scholastic years, the first principally given up to household economy, the second mainly to instruction in farming ; the work of the schools should be carried on only in the winter season, for two half days per week. This shows that the actual effort required is not very great, 300 hours during the two year period being the maximum given to the instruction. Neither a list of the subjects taught nor a statement of the ground covered by the instruction really give a precise idea of the scheme, but a relatively clear idea may be gained from the curriculum programme reproduced on page 650 of the school founded and directed by Dr. Dyhrenfurth (2) at Jacobsdorf (Neumarkt district, in Silesia).

With the revolution not a few changes in principle came about in the sphere of continuation instruction for girls. Art. 241 of the Constitution extended compulsory attendance to the occupational continuation school. For this reason the States of Germany have decided either to reorganize by means of special legislation the continuation schools already existing or to found others. Special attention was given to the point in the Republic of Saxony, where compulsory continuation schools had been in existence since 1873, which were organized much on the same lines as the elementary communal schools, and by the Law of 22 July 1919 special measures were enacted for the setting up of continuation schools. This law made a general rule of the establishment of the continuation school for girls, the

(1) An exhaustive reply made to this enquiry by the Permanent Committee for the Interests of Working Women, is to be found in the *Zeitschrift für das ländliche Fortbildungsschulwesen in Preussen*, year 1916-17, pp. 506 *et seq.* A special statement by Dr Rosa Kampf is published by the Committee in the same periodical pp 440 *et seq.* ; and the writer of this article contributes at some length to the issue of 1917-18 on pp 273 *et seq.*

(2) Dr. Dyhrenfurth was a member of the Committee for the Interests of Working Women and did much active work on it, so that her scheme may be regarded as embodying the ideas prevailing in the Committee.

Jacobsdorf and District Continuation School for Girls.

(Open November to March (5 months), with eight hours weekly,
i. e. two days a week from 12 to 4 p. m.).

Hours	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
FIRST YEAR						
12 noon to 3 p. m.	Sewing, mending, making of underwear and simple garments.	—	—	Sewing, mending making of underwear and simple garments	—	—
3 to 4 p. m.	Mother tongue.	—	—	Hygiene and domestic sanitation.	—	—
SECOND YEAR.						
12 noon to 3 p. m.	—	Cookery.	—	—	Management of the house	—
3 to 4 p. m.	—	Citizenship	—	—	Poultry keeping and horticulture	—
THIRD YEAR.						
12 noon to 3 p. m.	—	—	Cookery.	—	—	Management of calves and pigs.
3 to 4 p. m.	—	—	Citizenship	—	—	Care of nursing mothers

curriculum in the country to include the principles of household management, cookery, needlework, training and care of children (1).

The same procedure was adopted in the other States, but the actual progress did not in every case keep pace with the legislative reform. The disastrous years of currency inflation which lasted up to the end of 1923 and the effects of which were felt during the greater part of 1924, were a hindrance to better results and for that reason it made little difference that in Prussia the law on occupational schools was not passed before 31 July 1923.

(1) *Zeitschrift für das ländliche Fortbildungsschulwesen*, year 1921-22, pp. 261 et seq.

At the present time, compulsory continuation schools for girls can be established in the majority of the German States in the country as well as in the towns. In certain States, the law makes them obligatory and in others the communes or federations of communes are left free to establish schools or not. Generally speaking there is a recognition of the necessity for domestic economy teaching.

It should not be forgotten that the most serious difficulty to-day is the financial, since a continuation school for girls with instruction in domestic economy requires an equipment which, although not very costly, exceeds the resources of most communes, while very large expenditure is essential when the larger federations or the States have to provide all the schools for their own area.

§ 2. THE RURAL TRAVELLING SCHOOL OF HOUSEHOLD MANAGEMENT.

Pupils attend at the rural continuation school for girls for the winter only and usually for not more than six to eight hours a week, the maximum being thus 150 to 160 hours per annum. While 120 to 160 hours a year, or 300 to 400 hours of instruction altogether, are considered sufficient to impart to the future housewives the necessary rudiments of their duties, the question arises whether it is desirable to divide these hours as in the ordinary continuation school for girls or whether better results would not be obtained by keeping the girls occupied for the whole day for a limited number of days. With 32-35 hours per week it would be possible to cover the whole curriculum for the year in four to five weeks and the whole subject in three months.

On this system it would not be absolutely necessary to supply an equipment for each school, as the same would serve for the schools of the whole district. This presupposes that the school is of the travelling type.

When about 30 years ago Schepp, the agricultural advisor, began to establish these courses at Siegen a portable hut, the property of the Siegen Boys' Red Cross Society, was used for the classes and for storing the equipment, but this precedent has not been followed. It is usual, instead, to have a travelling equipment, there being, as a rule, no difficulty in finding suitable premises in the different villages.

In a travelling school of this kind at which the girls attend throughout the week, it is possible to employ special teachers. Such teachers of domestic economy have begun work in the country di-

stricts in these travelling household management schools (*Wanderhaushaltungsschulen*).

At present it is not practicable to have a permanent teacher, except on this plan. This is a serious inconvenience, since it is very difficult with the constant moving about to pay attention to the general training. It is consequently doubtful whether the travelling school will come into very general use. On the one hand, there is a tendency to replace it by the continuation school, which would mean that the fuller equipment and the special teachers were dispensed with; on the other hand, an attempt is being made to reduce the number of districts served by the travelling school of household management. If attendance at the travelling school were compulsory, as it is at the continuation school, or if attendance at the travelling school involved exemption from attendance at the other, there would be at once a considerable rise in the number of pupils attending the travelling schools, so that in a single district there would be room for three or four such schools. If these schools were conveniently placed within a limited area, it would be possible to give up the migratory system, while the pupils of the different communes could attend in a fixed rotation at a school in permanent premises. Each commune would be obliged to send the girls for three months, every three years. Girls coming from the communes nearest to the school would go home to sleep, the others would have to be lodged at the school. The cost would not be very high, at present the pupils nearly always take their meals at the schools, after preparing the food themselves. The dormitories would be of a quite simple kind and kept in order by the girls themselves. Such a scheme might well be completed by the establishment, in the separate communes of the school district, of small continuation schools under the direction of the managing head of the household management school, so as to prepare the younger girls for the school, and to keep up the general education of the elder girls who have already been in attendance, and thus make the results of the special instruction more lasting. It is not possible to prophesy at this stage as to the future development of these institutions, especially as a certain rivalry is observable between the household management travelling school and the courses for girls at the schools of agriculture (1).

The curriculum of the travelling school must naturally be simple.

(1) See end of section 3

The following passage may be quoted from a lecture given by Schepp at the second general meeting of the German Society for Family Welfare and Prosperity, on 17 February 1898 (1) :

"The morning is devoted to work in the kitchen, the afternoon to the theory of cookery, including invalid diet, to ironing, mending, and other kinds of women's work. The pupils receive instruction from experts on our experimental plots, and at intervals the director of the winter school of the neighbouring district instructs them in the feeding and management of milch cows and calves. All the teaching follows the lines of the "Guide to Domestic Wellbeing" (*Der Wegweiser zum haushlichen Glück*) (2), a small textbook which contains all that a housewife ought to know and which cannot be too highly recommended. The manual is distributed to the pupils at the reduced price of 30 *Pfennig*. At the end of each course 20 or 24 pupils take a practical examination and receive a certificate of competence. At this examination the mothers, the communal authorities, the ministers and the presidents of the women's associations are present, and become acquainted with the results of the teaching".

It is seen that as early as the end of last century the original idea of instituting travelling cookery courses was given up and instead instruction was given in household management, with a decided agricultural bias.

The Hanover Chamber of Agriculture drew up in 1921 a curriculum for the travelling household management schools for 12 weeks of theoretical and practical instruction. Eight hours per week are to be given to theory; thus there are in all 96 hours of instruction, including 24 on the principles of nutrition, 12 on hygiene, eight on the care of nursing mothers, 10 on household work, 12 on physiology, four on all questions relating to milk, six on poultry keeping, eight on vegetable growing, four on fruit growing and on the keeping of farm accounts. 336 hours will presumably be given to practical work, so that the total will be 432 hours or six hours daily. The practical subjects include cookery, preserving, washing, ironing, needlework, household management, keeping of household accounts, and business correspondence. It is to be noted that the travelling household management school attempts to make the school reproduce as closely as possible the conditions of real life. The pupils cook all they are to consume themselves, they wash and iron their own linen, they mend

(1) See the periodical *Das Land*, No 11, Berlin, Year 6, p 203

(2) Published by the *Volkstereim*, Munchen-Gladbach

their own garments and make their own dresses and underclothing. As regards the business correspondence an attempt is made to make use of subjects arising out of the daily occurrences of school or home.

Statistics on travelling household management schools exist only for Prussia, the latest being for the year from 1 April 1923 to 31 March 1924, *i. e.*, for a period still completely under the conditions of the inflation of the currency, or at least towards the end markedly influenced by it. Hence these statistics cannot serve as the basis for conclusions of a general character and for this purpose it is better to make use of the figures of 1913.

In 1913 there were in Prussia 283 travelling household management schools, including 33 founded in that year. 183 were established by the communal unions of the districts, 82 by women's associations, 6 by both these types of organization and 12 by private unions of different kinds. If the greatest interest was at the start displayed by the women's associations, in time the communal district unions took their place, and as they were bodies with corporate legal existence, they were in a position to maintain the schools more effectually than could the women's private associations. This fact sufficiently explains the increasing number of the schools of a public character in Prussia.

Twenty-seven schools could rely on their own resources, the remaining 256 depended on government subsidies. The total expenditure for the 283 travelling household management schools was 707,000 marks: *i. e.*, 293,000 marks for the teachers' salaries, 357,000 marks for current expenses of maintenance and 57,000 marks for purchases. The school fees on the other hand came to 283,000 marks, *i. e.*, a proportion of 40 per cent. To cover the difference, the districts, the women's associations and the communes concerned contributed 231,000 marks, the State of Prussia gave 125,000 marks, and the Chambers of Agriculture, the provinces, etc., made up the small remaining deficits.

990 courses were held in all by the travelling household management schools (1), of which 801 lasted for eight weeks, 69 for a shorter and 120 for a longer period.

312 women directors and 163 assistants were employed. Of the

(1) The courses were held partly also in the towns where use was made of the summer months when the country schools were practically deserted, to institute courses for the young girls of the towns.

former 23 only were teachers of rural household management; 14 were industrial school mistresses, 247 teachers of general household management with an urban bias and 28 mistresses without special qualifications. These figures prove that there were still few facilities for the special training of the teachers, a point of great importance as regards the agricultural character of the instruction.

16,345 pupils attended the 990 courses, half the number (8,260) belonging to the families of workers on the land; 3,558 were daughters of farmers, 2,510 of labourers and 2,217 came from homes of a different kind. The working class for whom the travelling household management school was originally intended were in 1913-14 attracted only in a small degree.

For the purpose of comparison, the figures for 1923 may be quoted:

Number of schools 93; of courses 339, including 201 for eight weeks, 36 for a shorter period and 102 of longer duration. The schools were in 84 cases supported by the districts and in nine cases by the women's associations. Among the 97 responsible heads there were 47 teachers of farm household management, 43 teachers of general household management and seven with a different or no special training. The total number of scholars were 5,721, among whom were 2,631 farmers' daughters; and 1,288 daughters of persons following rural occupations, 1,262 daughters of farm labourers, while 590 came from homes of other types. No school required a Government subsidy.

§ 3. FARM HOUSEHOLD MANAGEMENT SCHOOLS AT FIXED CENTRES.

While the town household management schools are to some extent of old standing, those of the strictly agricultural type are of comparatively recent origin. Their number has however increased remarkably. According to private enquiries made in 1924 there were in Germany 69 farm household management schools at fixed centres, including 41 in Prussia, 12 in Bavaria, six in Baden, three in Hesse, two in Saxony and two in Württemberg and one each in Thuringia, Oldenburg and Brunswick. Complete accuracy is not claimed for these figures; even the official figures published by the different States usually have gaps, since they refer, as a rule, only to the schools under public management and not to private schools. For example in 1924 there were in Prussia 33 publicly managed

schools (1). Of these 12 had been founded before 1900, the first on the Hange farm near Freren, in the district of Lingen, province of Hanover, dating from 1880. Twelve were founded between 1900 and 1910, seven between 1910 and 1920 and two later. Eighteen schools were established by the Chambers of Agriculture, two by the districts, and 13 were founded by individuals and associations or through charitable endowments.

It is difficult to calculate the expenditure on these schools. The figures for 1922 are available, but as they are expressed in paper marks on an unstable exchange they prove very little. To meet the expenses of 1922 the following sums were provided:

School fees, payments for meal and other receipts	47.7	per cent.	
Grants from the State	0 0	" "	(2)
" " " Province	0.1	" "	
" " " District	0 8	" "	
" " " Commune	0.0	" "	
" " " Chambers of Agriculture and agricultural associations . . .	39.7		
Other contributions	11 7	" "	
	100 0	per cent.	(3)

Official statistics are not forthcoming for the year 1923, probably on account of the rapid depreciation of the paper mark. The 1911 statistics, the last published before the War, gives the complete expenditure for 1910 for 54 schools as 804,545 marks, or 14,700 marks on an average for each school. In this year the expenditure was met as follows:

(1) The 1911 statistics show for Prussia 54 household management schools. Of these 9 were in the territories now ceded, so that the difference between the figures for the two periods is 12 or 18 taking into account the fact that six of the 35 schools were founded after 1911. Here again are seen the disastrous consequences of the war and of the inflation.

(2) 0 0 means that there was a contribution but that it fell below 0.05 per cent. of the total cost.

(3) These proportional figures have only a relative value. Those published are expressed in paper marks. As the gold mark was worth, during the first days of April 1922, 7,086 and in the last days of March 4,994 paper marks, it is clear that the payments made at the beginning of the year as reckoned in the above table appear to be of less value, those made at the end of the year to be of a greater value than the actual value.

School fees and payments for meals	86.3	per cent.
Grants from the State	3.3	" "
" " " Province	1.8	" "
" " " District	1.7	" "
" " " Commune	0.4	" "
" " " Women's associations	0.0	" "
" " " Chambers of Agriculture or agricultural societies	3.0	" "
Other contributions	3.5	" "
	100.0	per cent.

From these data it appears that the farm household management schools can for the most part rely on their own resources and that the grants made by outside organizations form an almost negligible part of their funds.

On the other hand the expenses for the students are by no means trifling. In 1911 between fees and expenditure for meals from 300 to 700 marks were required for each yearly course. To this sum must be added the cost of clothing, of linen, of the teaching equipment and other small expenses, so that even with the utmost economy an expenditure of a little less than 900 to 1,000 marks was required for each girl per year. At the present time this sum is probably not enough. It is on account of these heavy expenses that these household management schools at fixed centres are not attended as a rule by the small farmers' daughters and probably not at all by the daughters of farm labourers. This fact makes sufficiently clear the reason for the travelling schools, and it is sought to obviate the prejudicial effect of the high cost on the school attendance by instituting shorter courses. The statistics for 1911 show a number of schools with six months courses and courses even as short as two months. The 1923 statistics however favour the supposition that there are no longer extremely short courses, which is explained by the fact that the travelling schools render such courses superfluous. The 1923 statistics only include half-yearly and yearly courses with a marked prevalence of the latter. Six schools only have six month courses, and some of these are held side by side with yearly courses.

From the above account of the schools it will be seen that the

pupils necessarily come from fairly well-to-do homes. There would be nothing unusual if domestic servants, who are nowadays in receipt of good wages and may even receive in addition bursaries or other grants, should make use of their savings to attend a household management school, a very general practice in connection with the Danish popular universities. The usual age of the pupils attending the household management schools, who are, generally, relatively young, may however cause difficulty in this connection. In 1911 there still existed not a few of these schools which took pupils at the age of 14, and though this is not usually now the case, there were still in 1923 two schools which did not require an age of admission higher than 15, while in the majority of the schools only girls of at least 16 were admitted and in four schools only those over 16. Although the actual age is somewhat higher than the minimum laid down the difference is not important and hence the average age will probably be 17. The meaning of this is that as a rule the parents meet the school expenses and the pupils make no contribution from savings of their own. This also explains the elements composing the school registers. In 1923, of 1,140 pupils, 39 were daughters of large landowners, who for the most part prefer the women's farm schools (*wirtschaftliche Frauenschule*), 779 came from the small farmer class, 98 from that of farm workers and 224 from other social classes.

Hence the farm household management school is not always to be precisely described as a school "for giving farmers' daughters such instruction and such skill as will render them capable of managing a rural household", though this might be true in certain cases. The farm household management school is not generally adapted for the whole of the rural population, but essentially for the farming class and in particular for the owners of large and medium sized farms.

This is clear alike from the syllabuses of work and from the actual work done. The instruction consists in practical exercises in the school and in instruction in theory. The Household Management School at Wusterhausen on the Dosse, in the province of Brandenburg, has adopted the following syllabus for practical work :

1. Cooking and baking with special regard to the requirements of the country ; laying the table, preparing the meal, waiting at table, etc.
2. Preservation of produce, especially salting and smoking of meats, sausage-making, vegetable and fruit preserving as well as preparation of dried fruits, cider-making, etc.

3. Household work : maintenance of the cleanliness of the premises, cleaning the furniture and household effects, keeping them in good condition, etc.

4. Washing, mangling, ironing, ironing of starched linen, etc.

5. Needlework, mending, knitting stockings, crotcheting, sewing, by hand or with a machine, making underwear and indoor clothes.

6. First principles of the care of the sick and of hygiene.

7. Handling of milk, butter and cheese-making.

8. Poultry-keeping and pig-rearing.

9. Vegetable and fruit-growing.

For practical instruction four groups are formed, each one of which carries out a special branch of work for a week.

The instruction in theory includes :

1. Instruction on foods, in particular the nutritive value of the different kinds of food, the best methods of preparation and preservation with stress on the need for economy ; cookery recipes.

2. Handling and uses of milk.

3. Feeding and care of pigs ; the rearing and care of fowls.

4. Gardening with special reference to fruit and vegetable growing.

5. Care of linen.

6. House-work.

7. Care of the sick and of nursing mothers.

8. The mother tongue, including essays and business correspondence.

9. Accounts and farm household book-keeping.

10. Local patriotism, history and geography of the Province of Brandenburg.

11. Singing.

The school timetable is usually as follows :—

5.30 to 6.30 a. m. : Getting up and dressing, strip the beds, air the bedrooms, clean the washstands, dust the rooms.

7. Breakfast and prayers.

7.30 Practical work begins.

9.0 Second breakfast or lunch.

12. Dinner.

3.30 Coffee.

4.0 to 6.0 Theoretical instruction or needlework.

7.30 Supper.

8 to 9 Singing, recreation and evening prayers.

Schools of this kind obviously must have a considerable teaching staff. The permanent teachers are mistresses of farm household management or mistresses who have special knowledge of one of the principal branches of the school curriculum. The number of permanent teachers varies from two to six and may on an average be three or four. The subsidiary teachers are as a rule more numerous than the permanent staff as is required by the character of these schools, which must have for the different subjects specialists who are not easily to be found in the ranks of the permanent teachers. Hence teachers of agricultural subjects, instructors in fruit-growing and poultry-keeping, and also ministers of religion, elementary teachers and others are employed as occasion requires. Among the permanent teachers the majority hold a teaching diploma in farm household management.

As a rule the school courses conclude with the holding of examinations in the presence of a selected public. The pupils on leaving receive a certificate which testifies to their diligence, their good conduct and stage of progress reached, but does not serve as a qualification for any particular employment, though it may well be of great value to girls who desire to make their living in domestic or similar work.

The schools for rural nurses and health visitors (*Landpflegeschulen*) established by the German Rural Welfare and Homeland Association (*Deutscher Verein für ländliche Wohlfahrts- und Heimatpflege*) to be regarded not as household management schools but as cognate institutions. Three only of these schools are in working order at the present time, while three have been temporarily closed. Their object is in the first instance the training of nurses for the country districts, taking into account the fact that this occupation would not by itself fill the whole time of the young woman unless a somewhat extended area was assigned to each when difficulties due to distance would result. Another fact of which account must be taken is that sick nursing in the country carries with it other duties which belong to the sphere of household management. For this reason, the nurses in training receive full instruction in household management, horticulture, stock-rearing and agriculture. With this varied equipment the rural nurses often hold courses in household management in their own homes, and thus help to diffuse knowledge of this kind.

The courses for girls in the agricultural schools owe their origin to the consideration that these schools though founded for boys only

might be used to better advantage if a course for girls was added, since in that case not only could the same premises be used alternately by boys and girls, but also to a large extent the same teaching equipment and notably the same teaching staff could be employed. It will perhaps be practicable, by instituting these courses for girls, to place the school of agriculture on a different basis as regards the provision of the boys' meals. The girls might perhaps provide the meals for all, which would greatly reduce the expense, even if no profit were made. In any case the general expenses would be but little increased if the meals for the boys were prepared at the same time as those for the girls themselves. On various grounds there is thus much to be said for making the school of agriculture available for both sexes, although in separate courses, and good results may be expected from the experiments in this direction after a few years.

The courses for girls usually cover the five winter months. The number of hours of instruction amount to 34 per week, of which 18 are given to practical work, *viz.* nine hours to cookery, six to needlework and three to housework, with 16 to theory, *i. e.*, two hours to principles of diet, two to the elements of hygiene, including care of the sick and of nursing mothers, one to dairy work, two to horticulture, one to poultry keeping, two to stock rearing, one to stock feeding, one to arithmetic, one to book-keeping, one to the mother tongue, one to biology and one to civic rights and duties.

The necessary accommodation can be readily provided. There must be a kitchen, a class room for theoretical instruction and needlework, which may also serve as the dining room. It is desirable but not essential to have in addition a laundry and a pantry, as well as a limited amount of extra premises. The space required is thus not large, although it is desirable to provide somewhat more than the base minimum requirements.

The courses for girls are under the direction of the teachers of farm household management. Instruction is also given by the director and some of the lectures of the school of agriculture to which the course is attached; additional teachers may be required for the lessons in the mother-tongue, arithmetic and citizenship. Following the example of the schools of agriculture and of household management an endeavour will be made to utilize the services of qualified teachers in the neighbourhood.

The school fee will amount to about 50 marks per session. In

addition the pupils will bring or will pay for the materials required for the cookery instruction and for the meals.

The present arrangements and curriculum will make the courses for girls at the schools of agriculture of value to the middle class of farmers but of little practical use to small holders and farm labourers

§ 4 WOMEN'S FARM SCHOOLS

(*Wirtschaftliche Frauenschulen auf dem Lande*).

The women's farm schools owe their rise to the indefatigable work of Ida von Kortzfleisch, who in 1895 founded in Hanover the Reifenstein Federation among the schools of household management for the rural housewives, a federation which a little later took over the establishment and carrying on of these schools. At the present time eight schools of this kind are under the Federation, besides one country housewives' school (*landliche Hausfrauenschule*) and two household management schools (*Haushaltungsschulen*). In addition the following similar institutions are grouped under the Federation: 11 other women's schools, including four in Prussia, two in Bavaria, one in Wurttemberg, one in Saxony, one in Mecklenburg and two in Thuringen, one school for women-gardeners with a normal school for teachers of horticulture in Prussia, a school for domestic servants in Bavaria, a household management school in Saxony and a similar school in Pomerania.

The *wirtschaftliche Frauenschulen*, being instituted for the direct teaching of household management, are essentially adapted to the needs of the larger farms. Hence they presuppose a corresponding preparatory instruction and usually a leaving certificate from the lyceum, and no pupils under 18 years of age are admitted. The charge is 100 marks per month for board and school fees, so that the cost with incidental expenses may be reckoned at from 1,500 to 1,800 marks per annum.

To meet the requirements of pupils whose aims are wholly practical, there is in each school a course for young working women (*Maidenlehrgang*) lasting for one year. In the majority of the schools there are two such courses, the one intended to provide a course of instruction relatively complete in itself and to meet immediate practical requirements, the other to form a solid foundation for further studies. Such further studies may be undertaken in a "course for certificated

domestic workers" (*geprüfte Hausbeamtinnen*) which is not to be found in all the women's schools of domestic economy, as well as in the "course for household and rural economy" (*haus- und landwirtschaftliches Seminar*) which is also connected with a single section only of the women's farm schools. Both the course for certificated domestic workers and the course at the *Seminar* are for one year.

The subjects of instruction are divided into three distinct groups :

(a) household management subjects : cooking, baking, preserving, care of the house, washing, ironing, making clothes and other needlework ;

(b) scientific subjects : natural history, physics, chemistry, botany, principles of nutrition, hygiene, psychology, pedagogy, civics, welfare, mother tongue, book-keeping ;

(c) agricultural subjects : feeding and care of live stock, including pigs, dairy work, poultry keeping, horticulture, care of orchards and of vegetables.

In the school year about 1,000 hours are given to the household management subjects, about 340 to the scientific and about 500 hours to the agricultural (1). On the other hand the year's course for domestic workers includes 470 hours for the household management subjects, 140 hours for the scientific subjects and about 100 for the agricultural.

The great difference in the number of hours is explained by the fact that it is often necessary to use a certain latitude in completing the practical work, to which, as in the *Maidenlehrgang*, a great part of the time is given up, so that it is not easy to keep rigidly to the time table. In the *Seminar* for household and rural economy 560 hours are given to household subjects, 430 to the scientific and 800 hours to the agricultural.

It should be understood that the system as a whole corresponds to the wider aims of the instruction. For the most part the women's domestic economy schools have a certain recognized status and while State support is given they are managed by bodies constituted for the purpose. The teaching staff also is differently composed from that of the schools of household management described above. For example, in 1922 the 14 Prussian institutes of this class were staffed with 91 permanent teachers, or rather more than six or seven per

(1) The larger part of the time is now given to practical occupations rather than to actual formal instruction. It would be excessive for more than 1,800 hours or 45 weeks to be given up to lessons as such.

school, with not more than 29 additional teachers, or two per school.

The number of pupils in the 14 Prussian schools in 1922 was 718, or an average of 51 to a school; the highest attendance was at the Luisenhof school in the Province of Brandenburg with 96 pupils; the lowest at the Duren school in the Rhine Province founded in that year with nine pupils. Taken as a whole the 14 institutions as from the time of their respective foundation have been attended by 5,959 pupils (1). Of these 4,361 were working for purely practical ends and 1,598 were in training for teaching work.

It is not easy to form a precise idea of the financial position of these *wirtschaftliche Frauenschulen auf dem Lande*. An approximate estimate is however supplied by the statistics for the 14 Prussian schools which in 1922 cost 203 million marks. This expenditure was met from the following sources —

School fees	61.19 per cent.
State subsidies	6 11 " "
Provincial "	0 01 " "
District "	0 01 " "
Communal "	0.02 " "
Contributions from the school proprietors . . .	2.12 " "
" from other persons	30.54 " " (2)

The *wirtschaftliche Frauenschulen auf dem Lande* are of the greatest possible importance for the whole of the teaching of household management, as they serve to train the necessary teaching staffs. It was significant that up to 1910 in the greater number of the travelling schools the teaching was in the hands of teachers of general household management with a predominantly urban bias. Not uncommonly there were to be found in the schools teachers who were more or less self taught, although possessing an excellent acquaintance with household and rural economy. Progress on these lines was impossible. It was thus a happy idea to combine with women's farm schools training courses in household and rural economy intended for

(1) Two schools were founded between 1900 and 1910 four between 1910 and 1915, six between 1915 and 1920 and two since 1920

(2) Not much can be gathered from the percentage, as the contributions paid at the beginning of the accounting year are not shown at their true value. But it is clear that the main receipts of the schools are the boarding and school fees, next to these the State grants are most important, while as compared with these two groups the other contributions are insignificant

the instruction of future teachers. On the one hand, the women's farm schools guaranteed a sufficient general and vocational education and above all took fully into account the special needs of the agricultural class. On the other hand, the arrangements of the women's farm schools were such that during the year of attendance at the *Seminar* the requirements of the farm were not neglected. Thus a school year, coming between the year at the *Maidenlehrgang* and that of the *Seminar* and spent on a suitable farm, ensured the acquisition of adequate knowledge of actual agricultural conditions. In spite of the considerable number of mistresses who have come from these women's schools and from their special courses there is still a noticeable dearth of properly qualified teachers.

It is also doubtful whether for some time to come it will be possible to find mistresses thoroughly trained for the lower grades of the farm and household instruction. There is undoubtedly a demand for thorough teaching in these grades also, but such instruction would imply a corresponding rate of salaries and it is doubtful if the financial resources are adequate. On this account some measures taken in a different direction deserve attention.

At present there are difficulties in the way of giving the rural elementary school mistress a training which would fit her to undertake teaching in a rural continuation school for girls. It would be necessary either to keep apart from the beginning the future rural school-mistresses from the urban women teachers, or to give the former a special additional course after the ordinary training college curriculum has been completed. The feeling of the women teachers themselves is strongly against the first solution as it is feared that in this case the rural teachers would come to be regarded as an inferior grade. The second alternative would involve greater expense. Moreover, in most neighbourhoods and especially in those which are purely agricultural, the number of elementary school mistresses is very limited, so that no particularly valuable results could be anticipated from the suggested scheme.

The German Federation of Rural Nurses (*Deutscher Landpflegeverband*) and its foundress, Countess Frieda zur Lippe, proceed on the assumption that the care of the sick does not in itself give enough occupation to the nurses. Other spheres of activity are looked for, and the idea is to utilize the nurse also as a teacher and especially as a teacher of household economy. With this object the nurses in training also receive certain instruction in the theory of education.

It should however be recognized that up to now the practical result of this instruction is shown rather in occasional lessons than in complete courses or organized schools.

The directress of the Gross-Gauppa household management school (Republic of Saxony), Fraulein Anna Thieme, has devised a scheme for employing to the full the energies of the mistress in the rural continuation school. Her view was that the continuation school does not demand the full activities of the teacher, and she was anxious to take advantage of this fact for the benefit of general social work. Hence she established in her school special courses with the object of training young women, who already had the necessary knowledge of household management, to give continuation instruction to girls in country districts and in addition to give their time to the care of nursing mothers and the sick while at the same time taking charge of the households in such cases. The initial efforts in this direction were completely successful, but the development of the scheme was interrupted by the very different form of organization imposed upon all the teaching of household management in the Republic of Saxony.

In conclusion the present situation may be summarized as follows: there are in existence institutions, of a generally satisfactory character, for the daughters of the large landowners and for others down to the border line between the occupiers of medium-sized farms and the small holders; the problem remains of attracting the daughters of these last to the existing schools. The need for instructing the daughters of the small holders and the farm labourers in rural household management is fully recognized, but it has not yet been decided what is the most suitable form such instruction should take and in all probability there will be different forms according to the requirements of the different regions. The problem of the instruction of the mistresses has been solved as regards the schools which are fully organized, but still awaits solution as regards institutions for the benefit of the daughters of small holders and farm hands. The work of extending the teaching to these girls also is going forward, the intention being to make a minimum of such instruction obligatory on all.

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MISCELLANEOUS INFORMATION

International Congresses.

The XIIth International Congress of Agriculture held at Warsaw 21-24 June 1925.

Among the conclusions adopted by this Congress, the following which were dealt with in the Section of Rural Economy may be mentioned:

Question I —*Influence of Agricultural Organizations on the Agricultural Policy of the States.*

Considering that the existence and development of agriculture depend increasingly on the economic policy of the States, that agriculturists can exercise on the policy of each country and above all on the agrarian policy, a powerful and lasting influence, only through a strong organization of which the object is the settlement of present day problems, in accordance with the interests of agriculture and the general welfare :

the Congress recommends :

1. that in each country a central association of all the agricultural societies should be organized, for the purpose of centralizing the funds required for propaganda, enquiries, investigations and statistics, the representation and the protection of agricultural interests by the means best adapted to local conditions.

2. that in the several parliaments there should be formed groups of agriculturists including, independently of differences in political opinions, all the representatives of the agricultural interests and of kindred interests, with the object of establishing permanent co-operation.

3. that agriculturists should be reminded that at the time of parliamentary elections it is incumbent on them, while having due regard to local conditions, to demand from all candidates, irrespective of party convictions, a definite undertaking to protect the interests of agriculture, to remain in constant touch with the agricultural societies, and to render account to the electors of their activity as deputies.

4. that there should be created, at the earliest possible opportunity, after agreement with existing international institutions, an international organization responsible for establishing permanent relations between the central agricultural organizations of all the countries.

Question IV. — *Present Organization of the National Agricultural Credit Institutions. Organization of International Agricultural Credit.*

Considering that agricultural credit is the strongest factor in the development and spread of agriculture ;

that the principles of mutuality and co-operation are the essential bases of the organization of agricultural credit ;

that it is these principles only which can give agricultural credit institutions the necessary stability ;

that the satisfactory organization of agricultural credit depends on the institution in each country of a central body, linking up the local organizations and imparting to them such uniformity as is essential to agricultural credit ;

that it is desirable that the relations between the central institutions of agricultural credit in all countries should be stable in character, so that an equivalence of methods and results may be brought about and finally the establishment of an International Institute of Agricultural Credit ;

the Congress recommends the International Commission of Agriculture to devote increasing attention to the organization of agricultural credit in different countries ; to take steps to organize international co-operation in this field ; and especially to summon a conference at an early date of representatives of central agricultural credit institutions for the purpose of an exchange of views.

Question VI. — *Immigration and Emigration of Agricultural Labour.*

I. — 1. The reciprocal relations between the immigration and the emigration countries should be based on a complete and impartial comprehension of common interests and the right appreciation of the value of this work.

2. With a view to ensuring the protection of foreign workers it is advisable that the immigration countries should consider the possibility of organizing a special inspection service dealing with the conditions of employment of these workers.

II. — 3. The Congress resolves :—

(a) that world statistics relating to emigration and immigration be standardized and co-ordinated and that measures should be taken to ensure that migratory movements in so far as they concern the interests of the farmer should be accurately shown in these statistics ;

(b) that in order to enable emigrants with special qualification in particular branches of agriculture to find suitable openings and to ensure that the immigration countries obtain workers with the desired vocational qualifications, periodical exchanges of practical information should take place as often and in as much detail as possible as between the immigration and the emigration countries.

III. — The Congress considering :

that emigration and immigration agreements enable emigration countries to ensure that their nationals desiring to emigrate shall find employment abroad under good conditions and with proper safeguards ;

resolves :

that the number of these agreements between the emigration and the immigration countries should be increased in the interests of world agriculture, and that their provisions should as far as possible facilitate :

(a) individual emigration ;

(b) organized collective emigration, with power in this case for employers and the competent administrative offices of the emigration countries to arrange for an effective medical selection of the emigrants before leaving the country of origin.

IV. — The International Congress of Agriculture considers that the agricultural emigrant ought to enjoy equality of treatment with the nationals in the same occupation, as regards living conditions, wages and the protection accorded to them by the internal legislation of the country

V. — Considering that a too rigid regulation of immigration and emigration might lead to the suppression of free migration, which might be a source of disturbance of the peace of the world,

The Congress resolves .

that while emigration and immigration should be duly organized and controlled this organization and control should be of such a character as to ensure that the peaceful movement of the surplus populations towards the less populated regions takes place in the best and most orderly conditions and that all measures taken with this end should have the fullest possible regard for the individual interests of the immigrants.

Co-operation and Association

AUSTRIA

1. **Agricultural Co-operative Societies in Burgenland.** — JAHRESBERICHT DES LANDESVERBANDES DER LANDWIRTSCHAFTLICHEN GENOSSENSCHAFTEN IM BURGENLANDE ÜBER DIE ZEIT VOM 18 NOVEMBER 1923 BIS ZUM 1 OKTOBER 1924.

In the short time for which Burgenland, where nearly all the farming population is German, has been joined to Austria, there has been a very marked revival of the co-operative movement. At the end of 1923 there were 33 savings and loan banks and one other co-operative association, while on 13 October 1924 there were already 57 savings and loan banks and 14 other co-operative associations. All these are affiliated to the Provincial Federation of the Agricultural Co-operative Societies in Burgenland (*Landesverband der landwirtschaftlichen Genossenschaften im Burgenland*) founded on 18 November 1923 as an association as defined in the law

on associations. This was however felt to be inadequate, particularly from the fact that no credit or subsidies were given. On this account it was resolved on 25 September 1924 to transform the Federation into a company with limited liability. As the organization is still very far from complete it is clear that it is not yet possible to accomplish all the work contemplated. Hence the exchange and marketing business is still in the hands of the Styrian Farmers' Union at Graz, which naturally involves expense and delay. In addition the fact that in the separate districts the co-operative societies are hardly yet well established has so far militated against any very considerable achievement. It is however anticipated that it will be possible to stimulate thrift among the members in various ways, to supply them with credit on favourable terms and to remove all obstacles of a local character which hinder the formation of new societies. The establishment of co-operative societies for the manufacture of milk products seems particularly promising.

H. KALLBRUNNER.

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2. **Co-operative Stockbreeding Societies in Vorarlberg.** — Annual reports of co-operative societies and communications published in the periodical *Alm und Weide*.

Up to the end of the last century there were no co-operative breeding societies in the most westerly and smallest of the Federated States of Austria, although cattle breeding had been of very great importance in that district and there was great demand for breeding animals from Vorarlberg.

The first co-operative society was formed in 1893 in Dornheim on the approved model of the co-operative societies of Eastern Switzerland.

Other societies were soon founded and finally a stock breeding commissioner was appointed whose duty it was to visit the societies, pass the animals for admission and keep the herd-books.

During the course of the War several societies were greatly weakened as a result of the calling up of their officials and the constant requisitioning of the cattle, and were consequently wound up.

After the War there was a rapid recovery among the societies and new ones were formed.

On 17 April 1922 the Vorarlberg Breeders' Union was formed, which at present includes 43 breed societies. At the same time a herd-book was established, in which nearly 2,000 animals are entered. Milk records and tests for butter fat are kept for all animals entered in the herdbook, as in accordance with the new rules attention is paid to heredity and to dairy qualities as much as to good conformation.

A market for breeding stock, open throughout the year is organized by the Union.

H. KALLBRUNNER.

GERMANY

The System of Cow Testing Unions. — *Landwirtschaftliches Genossenschaftsblatt*, No 35, Year 47. Neuwied, 29 August 1925.

The system of cow testing unions has received a great impetus during the last few years as may be judged from the following figures :—

	No. of Dairy Cow Testing Unions
End of 1908	207
" 1911	491
" 1912	545
May 1914	792
End of 1922	1,058
1 Jan. 1925	1,610

Of the 1,610 unions, 1,316 belong to Prussia with 21,692 farms and 475,867 cows under testing. In recent years the system has been more and more applied to the medium sized and small farms. In many districts the proportion of cows under test to the total head of cows is very considerable, and in East Prussia 24.4 per cent of all cows are already submitted to the tests.

The average number of cows per testing union fell from 460 in 1912 to 361 in 1925. The cause of this decline is to be found in the increasing number of the smaller farms which join the unions.

For the whole area of the Reich the percentage of the cows under test is stated to be only 6.5, in spite of the great increase in the number of unions.

F. J. R.

HOLLAND

Agricultural Co-operation in the Years 1923 and 1924. — *Verslagen en Mededeelingen van de Directie van den Landbouw* 1924, No 2 and 1925, No 3 — ALGEMEENE NEDERLANDSCHE ZUIVELBOND (F N Z) : VERSLAG ONER HET JAAR 1923 and VERSLAND OVER HET JAAR 1924.

There has been a slight increase during the past year in the number of the credit associations in Holland, the total rising from 1,227 at the end of 1922 to 1,239 at the end of 1923 and to 1,248 on 31 December 1924.

The distribution among the three central institutions is as follows :—

Central Unions	On 31 December		
	1922	1923	1924
1. Central Co-operative Raiffeisen Bank at Utrecht	676	687	696
2. Central Co-operative of Farmer Bank at Eindhoven . . .	508	512	512
3. Central Co-operative Bank for Agriculture at Alkmaar . . .	43	40	40
Totals . . .	1,227	6	1,248

The amounts of the deposits of the individual co-operative societies held by their respective central institutions and the loans to co-operative societies outstanding were as follows on 31 December 1923 and 1924 :

Central Unions	Deposits		Loans	
	1923	1924	1923	1924
	florins	florins	florins	florins
Utrecht	50,430,154	48,567,999	10,812,123	10,891,352
Eindhoven	41,188,662	37,647,923	6,164,045	7,703,504
Alkmaar	463,480	468,273	1,642,256	995,239

At the end of 1923 the total individual membership of the societies affiliated to the two large Central Unions at Utrecht and Eindhoven was 167,931. The number of savings bank books issued was 327,594 and the total of the savings deposits held by the societies amounted to 287,417,419 florins. Of these, 205,576 savings bank books were issued by the co-operative societies affiliated to the Central Union at Utrecht and the amount of deposits held by them was 188,120,334 florins. The total amount of loans made by the societies affiliated to the two Central Unions and outstanding on 31 December 1923 was 133,320,804 florins.

As regards current accounts at the end of the same year there were 32,527 members' accounts, as compared with 22,654 in 1922, the deposits made amounted to 163,253,759 florins and the withdrawals to 160,888,326 florins.

The co-operative purchasing of agricultural requisites was undertaken by 1,586 co-operative purchasing societies, according to statistics furnished in 1924. The number of these societies was in 1904 only 855, in 1910, 1,101, in 1920, 1,014. The membership increased from 91,121 in 1910 to 156,034 in 1924. The total value of the goods purchased was increased almost eightfold as compared with 1904 and in 1924 amounted to 91,155,746 florins. The purchases amounted to 559 florins per 100 hectares of cultivated land in 1904 and to 4,061 florins per 100 hectares in 1924.

The statistics show that there were 627 co-operative dairies on 31 December 1923 and 617 on 31 December 1924 which were classified as follows :—

Co-operative Dairies.

Production	31 December 1923	31 December 1924
1. Butter	275	257
2. Butter and cheese	141	148
3. Cheese	59	57
4. Butter, cheese and other milk products .	143	144
5. Milk products (other than butter and cheese)	9	11
Total	627	617

On the other hand the number of the non-co-operative dairies was at the end of 1923 only 324 and at the end of 1924, 314. The co-operative dairies are thus nearly twice as numerous.

On 1 January 1925, 435 of these dairies were affiliated to the important Dutch Central Federation the *Algemeenen Nederlandschen Zuivelbond* (F. N. Z.). The milk handled by these societies in the course of the year 1922-23 amounted to 1,453 million kg. and in 1923-24 to 1,630 million, the average quantity of milk handled by each society having advanced from 3.31 to 3.75 million kg.

The reports and communications of the Department of Agriculture show not only that the co-operative handling of milk and manufacture of milk products is making conspicuous progress but also that the utilization of potatoes is also becoming a field for co-operative activity. It is stated that 85 per cent. of the potato crop is handled and transformed in co-operative factories.

F. J. R.

ITALY

1 **Societies for the Production and Sale of Wine.** — ORGANIZZAZIONE DEI VITICULTORI E CANTINE SOCIALI Relazione al Congresso Nazionale Viti-Vinicolo di Vercelli 26-27 October 1924 Federazione Nazionale delle Cantine Sociali. Modena, 1924 — RELAZIONE DELLA PRESIDENZA DELLA FEDERAZIONE NAZIONALE DELLE CANTINE SOCIALI AL COMITATO TECNICO VITI-VINICOLO Ministero dell'Economia Nazionale, Rome, 27-28-29 November 1924 — MARCHESI (Francesco) Le cantine sociali Casale Monferrato, Marechalchi, 1925 — PO (Italo) Le cantine sociali Modenesi. *Giornale di Agricoltura della Domenica*, No 22 Piacenza, 31 May 1925.

The *cantine sociali* (societies for the production and sale of wine) are associations of agricultural producers (landowners, tenants, share tenants) formed with the object of making and selling the wine obtained from the grapes produced by their joint efforts. These associations owe their rise mainly to the difficulties which vinegrowers encounter when the year's crop exceeds the demand. The necessity for protection against the losses caused by excessive supply, and the deficiency of storage accommodation for the wine, led the agriculturists to organize themselves into associations for the purpose of making and selling wine co-operatively. According to their rules, the main objects of these societies are as follows: —

- (1) production of a standard type of wine in large quantities,
- (2) increase and improvement of wine production, by means of the latest machinery and the employment of skilled labour;
- (3) utilization of the waste products of wine-making residues, lees and tartar;
- (4) storage of wine in years of excess supply, so as to ensure the stability of market prices;
- (5) gaining of the public's confidence, by careful preparation of wine, and the placing of genuine goods on the market;
- (6) The industrialization of vine growing and reduction in the cost

of wine production by securing a maximum output through working on a large scale and reducing working costs to a minimum because spread over large quantities of grapes ;

(7) exploitation of the areas used for vine growing, etc.

A recent enquiry carried out by the National Federation of Societies for the Production and Sale of Wine (*Federazione Nazionale delle Cantine Sociali*), formed in Rome in 1922 and now with headquarters in Modena, showed that there were a little over 100 societies at work in 1924, and that these were distributed as follows: Tridentine Venetia 39; Emilia 23; Julian Venetia 13; Piedmont 10; Lombardy 7; Sicily 3; Venetia 2; Sardinia 2; Apulia 1.

The membership of the societies is about eight thousand, while the quantity of grapes made into wine every year is estimated at one million quintals, yielding on an average 700,000 hectolitres of wine.

Many of the societies were established 5 and 10 years ago, while others have been in existence for 15 and 20 years or over.

The most important group of societies is situated in the province of Modena, where there are as many as 20 societies with a membership of approximately 2,500, which handle on an average 400,000 quintals of grapes a year, with an output of over 280,000 hectolitres of wine, *i. e.*, about one fourth of the production of the whole province.

The grapes are unloaded by means of special hoppers on to large mechanical pressers and strippers, capable of handling many hundred quintals a day; the grapes are then passed into large fermenting vats. The barrels are placed in spacious well aired corridors and arranged according to their size, from 500-hectolitre barrels to 100-hectolitre cement casks, from 50-70 hectolitre barrels to 6-7 quintal casks in which the wine is carried from place to place. Everything is bright, clean and in good order. Then comes the room which contains the filters, thermostats and hydraulic or high power electric presses. There are also steam sprays, powerful suction pressure pumps for decanting, mechanical bottlers and brushes, and plants for sealing the bottles and for the analysis of the musts and wines. The vats are of ferro-concrete, internally faced with glass, and some of them are of enormous capacity.

The establishments were specially built for the purpose, and are the last word in buildings of their kind. They are connected with the railway track by sidelines, so that the loading on the trucks can take place with a maximum of rapidity and a minimum of expense and risk.

The plant, which has been built with a view to the modern requirements of industrialized agriculture, has in some cases enabled jam making and the production of tomato preserves to be undertaken. Thus a special feature of the *cantina* of Nonantola is the addition to the original establishment of a large factory for making grape and tomato preparations.

In connection with this group of co-operative societies, mention should also be made of the tartaric acid and cream of tartar factory at Soliera where the size of the plant and the up-to-date machinery give a good idea of the great importance which this industry has attained.

The societies in the province of Modena, which are organized and run on sound technical lines, have always given excellent results. They owe much to the constant and enlightened assistance that has been given to them by the local itinerant instructors in agriculture.

Next, as regards number and output, come the societies of Tridentine Venetia, 24 in the Trentino and 15 in the Alto Adige district, with a membership of approximately 2,000, and an annual output of over 150,000 hectolitres of wine.

The societies in the districts of Gorizia and the province of Istria are also worthy of note.

Piedmont also has some old-established societies, which are giving satisfactory results, such as the Oleggio (Novara) society, established in 1891, the S. Salvatore Monferrato (Alessandria) society, etc.

In Sicily the co-operative society of Marsala (1) in 1923-24 handled 20,392.40 quintals of grapes which yielded 14,077 hectolitres of wine and 530 of second wine (*vinello*) and 74 litres of unfermented wine (*mosto*) per quintal. The price realized for the grapes was 59.75 liras per quintal, while the average market price was 41 liras.

The main object of the Italian co-operative societies for the production and sale of wine is to supply a standard type of red and white table wine which can be satisfactorily stored, and to produce this wine in large quantities. Some districts have also begun producing fine bottled wines on a large scale.

At the National Congress held at Vercelli at the end of October 1924, to discuss national problems of vine-growing and wine production, the societies voted the following resolutions:

" (1) that adequate assistance, both moral and material, should be provided by the State, the local organizations and the associations of landowners, farmers, manufacturers and dealers, to enable the societies for the production and sale of wine to extend their sphere of action to the vine-growing regions where similar societies could be successfully established;

" (2) that credit institutions should allow very liberal terms to the societies especially to those of recent constitution and should be satisfied to accept as adequate security the guarantees of the societies in their capacity as corporate bodies, without requiring in addition that founders and directors should personally accept liability;

" (3) that the State should exempt the societies from the payment of the tax on personal property (*ricchezza mobile*) (2), with which they are at present unjustly burdened.

" (4) that special machinery used in wine making should be exempted from the payment of customs duty, when such machinery is not made in Italy, or when the Italian-made machinery is inferior to the foreign article."

(1) See CERTOLINI (Sante): *L'industria vinaria marsalese e la Cantina Sociale di Marsala. Giornale di Agricoltura della Domenica*, No. 50, Piacenza, 16 December 1923.

(2) See: *L'IMPOSTA DI RICCHEZZA MOBILE E LE CANTINE SOCIALI. Federazione Nazionale delle Cantine Sociali, Modena, 1924.*

Such are the demands of the *cantine sociali*, or societies for the production and sale of wine, which are undoubtedly contributing largely to the technical improvement and financial prosperity of Italian vine-growing. G. C.

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2. Recent Developments in the Work of the Agricultural Consortia. —

MORANDI (Emilio). L'azione dei consorzi agrari nel campo economico e nel campo morale. Piacenza, Federazione Italiana dei Consorzi Agrari, 1925 — SERPIERI (A) : Credito e consorzi agrari. Piacenza, Federazione Italiana dei Consorzi Agrari, 1925 — FEDERAZIONE ITALIANA DEI CONSORZI AGRARI. ASSEMBLEA GENERALE DEI SOCI DEL 15 MARZO 1925 RELAZIONE DEL CONSIGLIO DI AMMINISTRAZIONE SULLO ESERCIZIO 1924. Piacenza, Federazione Italiana dei Consorzi Agrari, 1925.

Agricultural consortia, as is well known, are co-operative purchasing societies which undertake to provide farmers with all farm requisites, such as manures, spraying materials, seeds, machinery, etc., of best quality and on the most favourable terms. The greater number of these societies are affiliated to the *Federazione Italiana dei Consorzi Agrari* (Piacenza), an admirable and powerful organization to which reference has often been made in this Review. According to its statistical records, 954 societies of this type were members of the Federation in 1923, 407 of them having an aggregate membership of over 300,000, the owned capital amounting to from 70 to 80 million liras and the total sales approximating to 900 millions. Owing to the increasing and many-sided demands of agriculture, the consortia have shown a tendency in recent years to an expansion into new forms of activity, supplementing their specific commercial functions by various new departures and thus increasing their own value to the national economy. In an interesting report presented to the Congress of Agricultural Consortia held in Piacenza on 15-16 March 1925 (1), E. Morandi, Director General of the Federation, describes with concrete examples a development which in reality tends to make the consortium a centre of enquiry and of varied activity connected with agriculture in its economic, trade, technical and social aspects; while in another report, submitted to the same Congress, Arrigo Serpieri sketched the new lines to be followed by agricultural consortia, more especially in the interests of small farmers, of the very numerous classes of small landowners, small tenants, share tenants, etc., for whose benefit "co-operation and credit for working capital are mainly intended".

Taking the economic field alone, the "most conspicuous triumph" of Italian purchasing co-operation may undoubtedly be regarded as being the creation of seventeen co-operative superphosphate factories, with a productive capacity of over 3,000,000 quintals a year, which is almost al-

(1) See in this connection the *Giornale di Agricoltura della Domenica*, No. 12, Piacenza, 22 March 1925.

ways fully exploited. Their output represents about one-quarter of the total Italian consumption and almost two-fifths of the consumption in the districts in the neighbourhood of the factories. There is a central office for supply of superphosphates at the Federation headquarters, which possesses its own steamers for overseas trade. Started in the first instance as a measure of defence against an attempt at monopoly of the Italian superphosphate market, these co-operative societies have never ceased to exercise a powerful influence on that market.

About twelve of the consortia devoted their efforts to a development that has also acquired considerable importance, the production of selected seeds. In some instances a consortium has for this purpose created a special organization within itself including offices and laboratories for analysis. Others have requested the supervision of competent technical inspectors or of specialists, or of the staff of the *Cattedre ambulanti di agricoltura*. All seed producing establishments are included in the Office of the Selected Seed Producing Corporations (*Ufficio enti produttori di semi di razze elette*) which is a department of the Federation. Each producing consortium superintends the seed production carried on by private undertakings which are bound to the consortium by formal agreements. The total area devoted to this seed cultivation is, for grain alone, over 2,300 hectares with a production varying from 48 to 60,000 quintals. Half of this is used for sowing, mainly to supply the requirements of the members of the individual consortia; the remainder is delivered to associations that do not produce their own seed. The societies have also recently undertaken the cultivation of oats and maize from specially selected seeds.

Numerous consortia possess extensive plants for the mechanical grading of grain and other seeds; among others, those of Lodi, Piacenza, Ravenna, Bologna, Ferrara, Rome, and Bergamo may be mentioned.

Some have installed general grain warehouses, combining the functions of storage and of credit: these include among other, the Legnano Association, the consortia of Bagnolo Mella, Cremona, Serra Capriola, the Jesi Society, the Prato Association (1).

In many cases there have been successfully installed general warehouses for other products; for example at Novara there exists a warehouse with a capacity of 90,000 quintals, at Piacenza spacious buildings for storage of cheese; at Cremona, storage for cheese; at Teramo there is a yearly storage of 1,200 quintals of honey; at Manduria (Lecce), where the olive is pressed and where the wine lees are distilled for the members, at Martino (Lecce), where oil works are in operation; at Noto, where carobs are stored.

In mulberry-growing districts the consortia frequently manage cocoon drying plants. Trento, Breno (Brescia), Voghera, Udine, Montebelluna, Piacenza, Parma, Cremona, Jesi, Amantea, Cosenza, may here be mentioned.

(1) At the Congress of Agricultural Consortia previously referred to Professor Vittorio Alpe spoke of co-operative elevators, urging that they should be formed in Italy as they had been in other countries.

Assistance to farmers for the cultivation of tobacco is a recent and very promising new departure. The consortia as a rule do not directly undertake cultivation or establish and maintain the necessary plant but they create special organizations for the purpose. There are however instances of their direct operation, among which may be mentioned the Montebelluna Consortium with its drying plant where work is carried out for the members; Tricase, which was the first in this field; Cologne with the Albaredo d'Adige drying plant and a concession of 100 hectares; Ascoli and Avellino with independent factories; the Agricultural Industries of Capannoli, etc.

The Consortia of Piacenza, Cremona, Lodi, Torino have established feeding cake factories.

Numerous consortia furnish their members with young vines, mulberry trees, olive trees and poplars; such are those of Breno (fruit-trees), Desenzano (olive), Salò (olive), Cremona (mulberry), Casala (fruit), Lodi (mulberry, poplar), Rocca S. Casciano and Prato (vines), Ceccano (forest trees), Chiate (olive), etc.

Some societies are interested in the importation of improved cattle (Cremona, Piacenza) or have installed breeding stations (Subiaco, Montebelluna) or have constructed fodder silos (Cremona, Piacenza, Pavia, etc.).

Others, such as those of Reggio Emilia, Piacenza and Jesi, act as millers and manufacturers of farinaceous foods.

Reference should also be made to other forms of activity which will give an idea of the versatility and strength of the consortia, such as for instance the Novara Consortium which manages a mine of pyrites.

Interesting also is the work which is being carried out in directing the efforts of agriculturists towards the establishment of industrial and commercial organizations of special value to agriculture. Thus in some cases anti-phylloxera societies (Oderzo, Frascati) have been founded, in others, an association of tobacco growers (Oderzo, San Giorgio di Nogaro, Dolo); in others breeding associations (San Giorgio di Nogaro, Barberino di Mugello, Cecina) and in others associations for cattle grazing.

The Lodi Consortium deserves special mention in connection with its station for the cultivation of meadowland.

In order to increase the intrinsic value of their efforts the consortia devote special attention to the instruction of farmers by the diffusion of agricultural journals, the foundation of libraries, etc.; they also assist farmers in placing their products and carry out certain branches of insurance work.

Arrigo Serpieri in his report on the subject of Agricultural Credit and Consortia gives reasons why these institutions should continually develop their sphere of action for the benefit of the more humble rural classes and proposes new forms of activity in the field of the collective purchase of cattle and in the larger field of the sale of products. He points out that the experience of these last years, especially that of the two more important agricultural markets of Italy, corn and wine, has demonstrated "how necessary it is to organize farmers for the defence of their interests.

There has been and still is scandalous exploitation of the farmer by tradesmen and manufacturers organized for purposes of monopoly". The sale of produce — he adds — is the problem which is at the moment the most pressing for the agricultural co-operative movement.

Through the development of activities on the industrial and commercial planes, such as those of which examples have been given above, and following the new lines so ably indicated by Morandi and Serpieri, there can be no doubt that the consortia will gradually become powerful factors in agricultural progress. If these principles are carried out, the day is not far distant when the 350,000 members of the consortia will form a solid and compact mass organized for the promotion of increased production and a more effectual defence of agricultural interests. G. C.

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3. **Statistics of the Consortia among the Co-operative Societies for Production and Labour.** — NOTIZIE STATISTICHE SUI CONSORZI DI COOPERATIVE DI PRODUZIONE E LAVORO Ministero dell'Economia Nazionale Direzione Generale del Lavoro e della Previdenza Sociale Rome, 1925

Co-operative societies for production and labour — a form of co-operation that is essentially Italian and of which the origin and history are well known — were enabled to undertake important contracts by the Law of 25 June 1909, which authorized and laid down regulations for the union of several co-operative societies into large bodies under the title of consortia. The first consortia appeared only at the end of 1911, in Venetia, in Lombardy, and in Latium, where the conditions of the labour market and long experience of co-operative work promised the best results. Other consortia soon followed and their number rapidly increased up to the time of the War, when the calls of mobilization and the diminished demand for public works in the Kingdom unexpectedly arrested their progress. They still however managed to maintain their existence and in the post-War period, were soon able to resume operations and prosper, thanks to the increased assistance given by the National Credit Institute for Co-operation, through the fact that a number of them took their share of the concessions for important contracts demanded by the State and by public institutions. In the year 1921 alone 23 consortia were established.

The Ministry of National Economy through its General Department of Labour and Social Welfare exercises a constant watch on the activities of the consortia; it recognises their complex administrative and technical structure and does not allow a consortium to be formed unless assured of the sufficiency of its financial means and that its organization is such as to ensure its efficient working economically and technically, as well as socially. Statistics have recently been published in this regard in two sections, quite distinct as regards periods and relating respectively to 1 January 1922 and to 1 January 1924, and these statistics when elaborated under identical headings and taken together, supplement each other.

At the date of the first enquiry the legally constituted and active consortia were 38 consisting of 839 co-operative societies ; to these were added a further group of 21 formed during 1923 and consisting of 141 societies. There therefore exist at present 59 consortia with 973 co-operative societies and with 110,000 members. The detailed data are given below, and have been extracted from official statistics.

The movement is most strongly developed in Venetia where 16 consortia were formed, in Emilia with 13 and in Latium and Tuscany with 7 each ; it is less marked in Southern Italy and in the Islands where the working of co-operative schemes is less well understood. The consortia undoubtedly constitute the most characteristic but also the most complex feature of labour association ; it can easily be seen therefore that their development requires a background of experience in co-operative work as well as technical knowledge in its promoters and should find favourable conditions in places where the activities of the societies are most vigorous and intense.

Statistics of 59 Consortia of Co-operative Societies for Production and Labour.

Regions	Number of consortia	Societies grouped			Capital		Value of the work carried out by the consortia
		Number of societies	Number of members	Capital of the societies	Subscribed	Paid-up	
				liras	liras	liras	liras
Piedmont	—	—	—	—	—	—	—
Liguria	2	26	3,219	3,578,108	614,469	569,198	21,043,189
Lombardy	3	81	3,834	559,823	75,550	71,015	10,156,784
Venetia	10	203	22,228	4,262,285	553,160	356,977	18,973,472
Emilia	9	307	55,663	6,636,791	2,339,518	1,783,519	56,748,087
Tuscany	5	110	11,227	1,315,244	447,728	324,093	24,495,348
Marche	—	—	—	—	—	—	—
Umbria	—	—	—	—	—	—	—
Latium	5	60	2,344	413,377	146,980	105,990	17,562,698
Abruzzi and Molise .	—	—	—	—	—	—	—
Campania	2	27	1,790	134,827	82,000	42,000	8,158,113
Apulia	1	14	2,194	122,609	68,765	59,492	300,000
Basilicata	—	—	—	—	—	—	—
Calabria	—	—	—	—	—	—	—
Sicily	1	11	313	28,829	8,700	6,480	3,328,338
Sardinia	—	—	—	—	—	—	—
Kingdom of Italy...	38	839	102,812	17,031,893	4,336,870	3,318,764	160,766,049

(a) *Consortia of co-operative societies which replied to the questionnaire.*

(b) *Consortia formed later than the date of the statistical enquiry.*

(The information relates to the date of formation of each consortium).

Piedmont	—	—	—	—	—	—	—
Liguria	—	—	—	—	—	—	—
Lombardy	1	9	263	7,405	1,200	240	530,000
Venetia	6	45	3,785	335,668	61,505	12,301	32,833,436
Emilia	4	25	1,818	133,827	63,600	12,100	5,098,850
Tuscany	2	16	2,011	59,256	13,801	7,698	2,927,849
Marche	1	7	240	32,729	16,000	3,200	1,340,592
Umbria	—	—	—	—	—	—	—
Latium	1	12	294	120,100	70,700	14,140	877,458
Abruzzi and Molise	—	—	—	—	—	—	—
Campania	1	5	114	7,995	3,500	700	264,144
Apulia	—	—	—	—	—	—	—
Basilicata	1	5	194	19,724	10,000	2,000	459,457
Calabria	1	8	752	106,892	39,165	15,051	955,736
Sicily	2	9	322	14,775	8,600	4,940	3,619,662
Sardinia	1	—	—	—	—	—	—
Kingdom of Italy...	21	141	9,793	838,371	288,071	72,370	48,907,184

G. C

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4. **The Co-operative Movement among Ex-Service Men.** — IL MOVIMENTO COOPERATIVO DEI COMBATTENTI RASSEGNA STATISTICA AL 31 DICEMBRE 1923 Associazione Nazionale Combattenti Segretariato centrale per la cooperazione. Rome, 1924

Statistics published by the Central Secretariate for Co-operation of the National Association of Ex-Service Men (*Segretariato centrale per la cooperazione dell'Associazione Nazionale Combattenti*) make it possible to gauge the progress made by the Italian co-operative movement among ex-service men in Italy up to 31 December 1923.

In the introduction it is stated that the number of these co-operative societies fell from a maximum of 1,148 in 1921 to 318 in 1923. This decrease was partly due to the critical period through which the Italian co-operative movement was passing, and partly to the strict criteria of selection adopted by the central body, which succeeded in ridding the movement of undesirable or financially unsound elements. Different methods had been observed in drawing up the previous statistics of the *Opera Nazionale per i Combattenti* for 1920 and 1921, and those of the *Federazione Italiana delle Cooperative Combattenti* for 1922.

The membership of the 318 co-operative societies is 47,000, 83 per cent. of whom are ex-service men; the total value of the owned capital is approximately 7,000,000 liras; work has been undertaken for a value of

about 48,500,000 liras, and goods sold for a value of over 15,000,000 liras; the landholding societies have cultivated 13,988 hectares.

When these statistics were published, about one fourth of the co-operative societies had been in existence for one or two years only; a fact which partly accounts for the smallness of the capital of many of these societies. The movement is still in its infancy and self-dependent in character and only began to consolidate itself in 1923, after its earlier tentative efforts.

The main groups are represented by landholding co-operative societies, co-operative societies for production and labour, and co-operative consumers' societies, in connection with which the following figures are reproduced:

*Statistics for the Principal Groups of Co-operative Societies
among Ex-Service Men.*

Kind of society	Number of co-operative societies	Number of members	Owned capital	Sales in 1923	Areas cultivated	Work executed in 1923
			liras	liras	hectares	liras
Production and labour	166	2,901	2,492,319	—	—	48,300,959
Consumers'	92	24,007	2,627,389	15,333,663	—	—
Landholding	52	13,434	1,775,089	—	13,988	—

The average membership of the societies is 260 for the consumers' societies, 53 for the societies for production and labour, and 258 for the landholding societies. The average amount of the owned capital is 28,558 liras for the consumers' societies, 15,013 liras for the societies for production and labour, and 34,153 liras for the landholding societies.

The ex-service men have obtained the most promising results in the production and labour societies. These societies include organizations with complete administrative and technical equipment and staff, and considerable financial resources, which undertake land reclamation and road building, carry out large railway and harbour contracts, and are in fact flourishing industrial concerns.

As regards the landholding societies, out of the total area of 13,988 hectares cultivated in 1923, 1,892 hectares belonged to the societies, while 12,096 were rented. The purchase of land involved an outlay of over 6,000,000 liras, while the rents come to a yearly total of approximately 1,000,000 liras. Most of the land was obtained from private sources. Cultivation is in most cases carried on by the members individually. These societies are situated for the most part in Sicily and Latium.

Lastly, as regards the geographical distribution of these co-operative societies, in 1921 the majority (183) were situated in Venetia. Then came Sicily, Abruzzi and Molise, Apulia, Calabria and Sardinia. In 1923 Sicily headed the list with 41, followed by Tuscany, Apulia, Emilia, Latium, Campania and Liguria. If the population, area, and strength of the or-

ganizations be taken into account, the co-operative movement among ex-service men may so far be said to have reached its most flourishing point in Liguria, Campania and Emilia.

G. C.

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5. **The Catholic Rural Banks.** — RELAZIONE DEL CONSIGLIO DI AMMINISTRAZIONE DELLA FEDERAZIONE ITALIANA DELLE CASSE RURALI ALL'ASSEMBLEA GENERALE ANNUALE TENUTA IN ROMA IL 21 DICEMBRE 1924. *Cooperazione Popolare*, No. 2. Rome, 31 January 1922. — STATISTICA DEI MOVIMENTI DELLE CASSE RURALI AL 31 DICEMBRE 1922. *Cooperazione Popolare*, No. 4. Rome, 28 February 1925.

The Italian Federation of (Catholic) Rural Banks has recently published figures showing the situation of 866 affiliated banks on 31 December 1922. Of these 834 were grouped in local federations while 32 were independent. The total amount of the owned capital of these banks was 7,724,957 liras, while deposits amounted to as much as 345,223,567 liras. The difference between these two figures may at first sight seem excessive; it should however be borne in mind that in such credit institutions the deposits are guaranteed by the property of the members, the value of which may probably be estimated at 1,000,000,000 liras.

It is of interest to see how these banks make use of their deposits; 155,077,503 liras, or considerably less than half the total, were invested in loans to members, thus showing that profits on land cultivation do not all go towards the purchase of land or into working capital; in other words, net profits are not entirely reabsorbed in production. In consequence, rural banks are faced with the problem of the investment of surplus profits. This problem — which has occupied the attention of the Council of the Federation at various times — is aggravated by the fact that the surpluses are showing a tendency to increase, with the result that banks may find themselves in a very unsafe position unless decisive action be taken in the matter.

The bulk of these surplus profits, *viz.*, 148,709,127 liras, is deposited in urban banks. This large figure represents the rural banks' investment in the larger credit institutions, an investment which entails careful regulation of the relations between rural banks and the large urban banks on the part of the Central Federation and the local federations.

Surplus profits are also used for the purchase of State securities; on 31 December 1922 this item represented 50,207,070 liras. Cash in hand at the banks then amounted to 7,893,632 liras, this sum being considered sufficient for their requirements.

These figures however only refer to 23 out of the 46 federations. Moreover, though nominally representing one half of the federations, they actually represent only one third, since many federations only supplied data for a little over one half of the affiliated banks. It will shortly be possible to form an accurate estimate as to the position of rural banks, as the *Federazione Italiana* intends to publish figures for the financial years 1923 and 1924, as soon as possible.

G. C.

Credit

CHILE

Loans to Small Farmers. — DECRETO LEY Y REGLAMENTO SOBRE PRÉSTAMOS DE SEMILLAS A LOS PEQUEÑOS AGRICULTORES, No 251, 12 February 1925. — REGLAMENTO SOBRE PRÉSTAMOS DE SEMILLAS A LOS PEQUEÑOS AGRICULTORES, No. 108, 14 February 1925. — *Boletín de los Servicios Agrícolas*, 1st Year No. 1. Santiago, 1925.

By Decree No. 251, dated 12 February 1925, the sum of 2,000,000 pesos was set aside for the purchase of wheat and barley to be lent, or sold on deferred payment, to small farmers who had suffered from the drought. The Decree applied only to the coast departments from Serena, to the north, to Vichuquén, to the south, together with certain sections of the departments of Combarbalá, Putaendo, Melipillo and such other areas as the Ministry of Agriculture may think fit to include.

The purchase of seeds will be carried out by a special committee, composed of the Director-General of Agricultural Services, the Chief of the Service of Propaganda (*Servicio de Propaganda y Divulgación*) and three other members to be nominated by the Government.

The loans, or sales on deferred payment, are made by the Department of Agricultural Services, through the medium of the Service of Propaganda aided by departmental sub-committees.

To be entitled to receive a loan it is necessary:

(a) To be the owner of lands adapted for the cultivation of wheat or barley;

(b) To possess not more than 100 hectares of land;

(c) To show that there is nothing to prevent the seed being sown;

(d) To prove the ownership and determine the charges with which the land is burdened;

(e) To produce evidence of good character by means of reliable witnesses;

(f) To undertake to repay in cash the value of the seeds obtained on loan, and to repay the necessary expenses of disinfection and of transport, by signing a bill which becomes due at a fixed date. On the due date the payment can be enforced in the same manner as the payment of taxes.

(g) To sign the application for a loan on the form distributed to the farmers, as required, by the Service of Propaganda.

An opinion regarding the applicants who comply with these conditions will be given by the departmental sub-committees, consisting of the departmental agricultural expert, appointed by the Department of Agricultural Services, and of three landowners, nominated, for each sub-committee, by the Government.

When the loan has been granted the applicant will sign a bill or agreement by which he undertakes: (1) to repay in cash the value of the seeds

lent and the expenses of disinfection before 1 May 1926 ; (2) to sow the seed in the most suitable manner and within a fixed period ; (3) not to sell his crop before it is ripe, or even after it has been gathered, without having first made the payment due ; (4) to guarantee the repayment of the loan either by a mortgage on his own land or by giving as surety a person of known solvency, nominated by the respective committee.

The State railways will store the seed gratuitously in their warehouses while it is being distributed to the farmers. The seed will be transported at a reduction of 50 per cent.

E. F.

GERMANY

1. **The German Rentenbank Credit Institute Agricultural Central Bank.** — *Deutsche landwirtschaftliche Genossenschaftspress*, Nos. 14 and 15, Berlin, 30 July 1925, and 30 August 1925. — *Landwirtschaftliches Genossenschaftsblatt*, No. 32, Neuwied, 8 August 1925. — *Die Sparkasse*, No. 15, Berlin, 15 August 1925.

On 18 July 1925 the law establishing the *Deutsche Rentenbank Kreditanstalt* was passed by the Reichstag (*Reichsgesetzblatt*, Part 1, No. 33, of 21 July 1925). By this law the former *Rentenbank* and its successor the "*Deutsche Rentenbank in Liquidation*" were alike transformed into an agricultural central bank. The first impetus in this direction was given by the enactment of 20 August 1924 withdrawing from circulation the notes of the *Rentenbank*. Many difficulties were however encountered in effecting this transformation and with a view to making the resources of the *Rentenbank* available for agriculture at the earliest possible moment, steps were taken even in 1924 towards the foundation of a provisional institution, the *Landwirtschaftliche Treuhandstelle der deutschen Rentenbank*. This institution was only to remain in being up to 1 November 1925.

The recently established Institute is a public corporation with headquarters in Berlin. Its function is to procure and grant credits for the purposes of German agriculture in all its branches including land improvement and land settlement. For the purpose of agricultural production the credits are to be granted only to the credit institutes named in Article 4 of the law and due regard must be paid to the circumstances and requirements of the individual States and portions of States as well as to the different classes of farms.

The *Deutsche Rentenbank-Kreditanstalt* is empowered by its rules to carry out the following operations :

1. to grant loans with interest :—

(a) to the credit institutions mentioned below for the purpose of providing German agriculture with mortgage credit ;

(b) to the credit institutions mentioned below for the purpose of providing German agriculture with personal credit ;

(c) to the States of Germany and to the organizations nominated by the *Reich* government or by the authorities of the States, for the purpose of promoting land improvement or land settlement.

The provision of personal credit is limited to the period up to the 31 December 1930. The *Reich* Government may however extend this period with the consent of the *Reichsrat* and that of a committee appointed by the *Reichstag*. The extensions agreed to at any time must not however exceed the space of two years.

2. to issue bearer bonds on conditions to be later determined.

3. to obtain loans for the purposes indicated under 1 for the period of at least a year.

4. to buy and sell foreign securities by agreement with the *Reichsbank*, so far as is required for the purposes of its business, and

5. to make use of available cash balances by means of temporary deposits in reliable banking houses.

Loans for the purpose of providing agriculture with mortgage credit may be granted to the public credit institutions or to the private institutions under State inspection, which usually undertake agricultural mortgage credit, as also to the central organizations of the public savings banks which handle the agricultural mortgage credit business. The supply of agriculture with personal credit is effected for the most part through the medium of such institutions of a central character as carry on either wholly or chiefly agricultural credit business.

Personal loans are granted on the security of the guarantees defined in the rules. At the time the loans are granted to the central credit institutions the rates of interest must be so fixed that the ultimate agricultural borrowers have to pay the same rate. In the case of loans which are passed through a number of intermediary bodies, a proportionate reduction of the interest is made.

The *Deutsche Rentenbank-Kreditanstalt* is subject to the supervision of the Central Government. The council of supervision on which in accordance with the "*Durchführungsvorschrift*" of 1 August 1925 two commissioners of the Central Government are placed, has to guard the public interests and to see that the conduct of business by the *Rentenbank-Kreditanstalt* is in consonance with the law, the rules and other regulations. Each individual commissioner has on this account far reaching powers of inspection, may demand information from the various departments of the *Anstalt* and may take part in meetings of the administrative council and in the general meetings of the *Anstalt* and bring forward proposals thereat. Their joint competence goes still further. For example they have jointly the right to demand the summoning of the administrative council and the assembly of the *Anstalt*, as well as the fixing of the date of meetings of the administrative bodies, the right to forbid the execution of decisions and measures, if they run counter to law, to the rules or to other regulations. In other respects the *Rentenbank-Kreditanstalt* possesses autonomy in its administration and conduct of business as well as in appointment of staff.

The *Anstalt* has a managing staff, an administrative council and an assembly. The staff, who are appointed by the administrative council, are responsible for the conduct of business and for the administration of the property, in so far as these matters are not already assigned to other bodies by law and the rules.

The Assembly consists of 110 members, who are appointed by the following important unions of agricultural interests :

1. by the German Agricultural Council, 20 members ;
2. by the *Reichslandbund*, 20 members ;
3. by the Federation of the German Farmers' Unions, 20 members ;
4. by the National Federation of German Co-operative Societies (*Reichsverband*), 20 members ;
5. by the General Federation of Raiffeisen Co-operative Societies (*Generalverband*), 20 members ;
6. by the Labour Association of the organizations of the small and medium sized farms, 10 members

The Assembly, on the proposal of and in numbers proportionate to the representative groups which compose it, sends to the administrative council 11 persons, the *Reichsrat* also sends 11 and the Central Government another two. The Council may besides by a two-thirds majority elect two experts on credit systems. Of the representatives who are appointed by the *Reichsrat* and by the Central Government, one at least must be an employer of agricultural labour, proposed by the central organizations of the employers of agricultural labour. Up to the time of the liquidation of the German *Rentenbank* its president was chairman of the administrative council, but after the liquidation the chairman has been elected from the council itself. Its duties include the performance of advisory and supervisory functions, and it is empowered also to appoint committees from its own members and to transfer to them specified functions, it has to supply the staff with general and special instructions as required and to determine what business must have their approval before conclusion.

The capital of the German *Rentenbank-Kreditanstalt*, from its establishment in conformity with Article 9 of the law on the withdrawal from circulation of the *Rentenbank* notes, is formed of the funds of the *Rentenbank* assigned for this purpose, and is increased by the sums which are annually assigned to it on the basis of the same law by the *Reichsbank* and the German *Rentenbank*.

The law contemplates a general reserve being built up out of the net profits of the *Rentenbank-Kreditanstalt* ; to this reserve one-quarter of the profits must be carried until it amounts to ten per cent. of the capital. The law also contemplates a special reserve up to 5 per cent. of the bearer bonds in circulation at any time, one third of the net profits being applied to this purpose. The remainder may be applied to strengthening the reserve or the capital or to carrying out any schemes connected with agriculture which may lie within the province of the *Rentenbank-Kreditanstalt*. A definite part may be assigned to the *Reichsbank* for the extinction of the *Rentenbank* notes. As soon as the capital, including the reserve, but exclusive of the special reserve mentioned above for the securing of the holders of bearer bonds, reaches 500,000,000 *Reichsmark*, further sums may only be transferred from the net profits to the capital or to the reserve on the basis of a special enactment.

In order to procure funds for opening credit for agriculture the *Deutsche Rentenbank-Kreditanstalt* may issue, with the approval of the Central

Government, interest-bearing bearer bonds up to six times — or with consent of the *Reichsrat* up to eight times — the capital. According to the general regulations published on 1 August 1925, the bearer bonds may be expressed in *Reichsmark*, gold marks (1/2790 kg. fine gold), North American dollars, English pounds, Swiss francs, Dutch gulden or Swedish crowns. They must always be fully covered by the values stated in the law. The first large foreign loan was taken up in September of this year, and amounted to 25,000,000 American dollars. It carries 7 per cent. interest, with an amortization at one and a half per cent, and must be repaid in 25 years.

The law on the establishment of the *Deutsche Rentenbank-Kreditanstalt* also includes instructions for ascertaining the amount represented by the bearer bonds in circulation and of the bank funds available to cover them, also instructions as to ratification of the articles of association, fiscal obligations, employment of the owned capital in the case of liquidation, etc.

Great hopes are placed in this new central institution as likely to relieve the severe crisis in agriculture. Apart from meeting the widely felt need for fresh real and personal credit the new *Kreditanstalt* has primarily the obligation of taking over a great part of the short term credits secured by bills granted by the *Deutsche Rentenbank* to agriculture which were not repaid when due and converting them into long term real credit; moreover a large part of the short term credit, according to the object to which it is applied, is not to be treated as working credit but as credit for initial expenditure. The new bank is not to come into competition with former personal and real credit institutions, but at a time when the traditional suppliers of agricultural credit are not in a position to comply with the great demand for credit, it is called upon to help to meet this demand and in doing so to act as a banking institution for banks.

F. J. R.

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2. **The Revaluation of Mortgages and other Charges on Land.** — *Reichsgesetzblatt*, Part 1, No 31. Berlin, 17 July 1925. — *Landwirtschaftliches Genossenschaftsblatt*, Nos. 34 and 38 Neuwied, 22 August and 19 September 1925 — *Deutsche Landwirtschaftliche Genossenschaftspresse*, No 14 Berlin, 30 July 1925.

Shortly after the stabilization of the German currency in February 1924 an attempt was made to regulate the problem of revaluation (1). Owing to the defects which were apparent when the first decrees on the subject were given effect a new regulation became necessary, and this had to be laid down by the Law of 16 July 1925.

According to Article 1 of this law a revaluation is to be made of

(1) See the issue of July-September 1925 of the *International Review of Agricultural Economics*.

charges which depend on agreements established before 14 February 1924, and which consist in the obligation to pay certain sums of money, expressed in marks or in some other currency no longer valid in the country, which have been affected by the depreciation. Even when all these conditions are fulfilled, those charges do not come under the law, the actual gold value of which is equivalent to or exceeds the amount prescribed for revaluation, or the regulation of which is provided for by a separate law.

In dealing with claims established prior to 1 January 1918 the nominal value is taken as the gold mark value; in the case of claims of later date the revaluation takes place on the basis of that value of the gold mark which is calculated from the nominal value according to the tables appended to the law which indicate the precise relations of value.

For the calculation of the gold mark value of the charge it is sufficient as a rule to take the day of the acquisition of the title by the present creditor. An earlier date only comes into consideration if the present creditor has acquired the title, for instance, as an inheritance, as a share of assets when joint property is divided, as dowry, etc. In this case the date taken is that on which the title was acquired by the person whose claim is now transferred and not that of acquisition by the present creditor.

Charges open to revaluation may be distinguished according to their nature as follows: mortgages, liabilities on personal security, those secured on landed property, on revenues, etc., industrial bonds and other charges of the same kind, mortgage notes, bearer bonds issued by public institutions of a co-operative character and kindred bodies undertaking any kind of business, deposits in public savings banks, insurance policies and other liabilities.

Mortgages are ordinarily revalued at 25 per cent. of the estimated value in gold marks, but in no case higher than the amount secured by them. Those mortgages are also retrospectively revalued which were extinguished during the period from 15 June 1922 to 14 January 1924. Whether on acceptance of the payment a reserve was or was not made, is of no importance. A reduction of this rate of revaluation of 25 per cent. can only be demanded by the mortgagor if he is unable to meet the revalued liability. In certain cases the law allows a higher revaluation to be made; for example, in claims arising out of division of shares, transfer of property, income, etc., that is to say, in the case of personal claims which form the basis of the mortgage. Requests for higher or lower revaluation must be notified to the revaluation offices at latest up to 1 April 1926.

No demand for the payment of the revalued capital can be made before 1 January 1932; on the other hand it is open to the debtor to make the full repayment at any time on three months notice. If the debtor can prove inadequate means, postponement of the term of repayment till 1 January 1938 is allowed.

The payment of interest on the revalued mortgages dates from 1 January 1925 and the rate for the first half of 1925 is 1.2 per cent., for the second half 2.5 per cent., from 1 January 1926 3 per cent. and from 1 January 1928 5 per cent. of the revalued capital.

Fresh registration of the mortgages in the Land Register follows on the simple notice of either the landowner or the creditor.

The revaluation of debts secured on landed property or on revenue and of land charges is effected on the same lines as revaluation of mortgages. Recurring payments secured by registered charges on land or land revenues must be paid from 1925 with 40 per cent., from 1 January 1926 with 60 per cent., and from 1 January 1928 with 100 per cent. of the revalued capital of the annual charge.

Liabilities arising out of mortgage bonds (*Pfandbriefe*), bonds secured on revenue (*Rentenbriefe*), communal obligations and similar bonds are revalued in such a way that the available capital is apportioned among the creditors in proportion to the gold mark value of their claim. The available assets themselves consist in the revalued liabilities of the credit institutions and in supplements made out of their resources. The rate of the revaluation is fixed in this case according to the amount of the assets of the debtor.

Deposits in savings banks are only liable to revaluation in the case of the public savings banks or those under State control, the revaluation is here to amount to at least 12 5 per cent. The revaluation of insurance policies is effected on similar principles.

Loans made by the *Reich*, by the different States of Germany, by the communes and the federations of communes do not come under the revaluation clauses of the law, but can only be transformed into the so-called redemption loans at the nominal value of 2.5 per cent. of the gold mark value.

From this brief survey the importance of this law for the national economy is evident. It appears, as a result of the investigations of the Commission appointed to enquire into the condition of agriculture, which drew up a report on the pre-War and post-War indebtedness of German agriculture, that the total indebtedness of approximately 12 milliard marks at the end of 1921 has been revalued at three milliards. This is a sum which will be a heavy burden, particularly after 1 January 1932 when the extension of the period of repayment and the low interest prescribed by the law come to an end and high rates of interest will be applied to land credit.

F. J. R.

UNITED STATES

Credit Operations under the Federal Farm Loan System in 1924 (1).—
EIGHTH ANNUAL REPORT OF THE FEDERAL FARM LOAN BOARD. FOR
THE YEAR ENDING DECEMBER 31, 1924. Washington, D C, 1925.

With the exception of the initial capital subscribed by the Government to the Federal Land Banks and the whole capital furnished by the Government to the Intermediate Credit Banks, all the banks under the super-

(1) See Note by V. N. Valgren in this *Review*, Vol. I, No. 4, October-December 1923, page 589. See also "Credit Operations under the Federal Farm Loan System in 1923", Vol. II, No. 3, July-September 1924, page 454.

vision of the Federal Farm Loan Board procure their funds from the sale of bonds and debentures. Although considerable care is taken in granting loans the amount of credit provided by the Federal Farm Loan System is very large; during the seven years of its existence it has loaned over \$1,500,000,000 to farmers throughout the United States and Porto Rico. The instalments matured to 31 December 1924, covering both principal and interest, exceed \$250,000,000; on that date only \$1,439,769 of these maturities, or approximately one half of 1 per cent., appeared more than 90 days delinquent.

Federal Land Banks. — During the year 1924 sales of Federal Land Bank bonds amounted to \$110,250,000, bringing the total value of these bonds outstanding on 31 December 1924 to \$916,978,234 (including farm loan bond coupons amounting to \$2,214,818).

On 31 December 1924 the total number of active national farm loan associations (1) was 4,643, showing a net increase for the year of 53 associations. During the year charters were granted to 72 associations, whilst 19 associations were liquidated or consolidated with others.

During the year the twelve Federal Land Banks closed loans to 47,227 borrowers, the loans amounting to \$165,509,845. From the time of organization up to 31 October 1924 the Land Banks had made loans amounting to \$976,761,718, the number of borrowers being 325,172. The area of land mortgaged as security for these loans was 59,894,254 acres, and the total appraised valuation was \$2,683,907,101, being \$2,124,821,336 in respect of land and \$559,085,765 in respect of buildings. The purposes for which the loans have been made are shown in the table under the section dealing with the joint-stock land banks. The total number of loans made by the Federal Land Banks up to 31 December 1924 was 339,970 and the amount granted was \$1,042,001,148, giving an average loan of \$3,065.

The total net earnings of the twelve banks during 1924 was \$7,383,447. The capital stock owned by the Government was reduced by \$763,420 during the year. Out of the total of \$8,892,130 which it originally subscribed the Government now owns only \$1,670,965. Seven of the Banks, Louisville, New Orleans, St. Paul, Omaha, Wichita, Houston, and Spokane, have now repaid the Government in full.

Joint-Stock Land Banks. — No charters were issued to joint-stock land banks during the year. It is the opinion of the Federal Farm Loan Board that no further charters to joint-stock land banks should be issued, except to extend the service to territory not now adequately served by these banks, until and unless a careful survey of the territory to be served gives reasonable assurance that the volume of business promises a profitable operation.

The number of joint-stock land banks in operation at the end of 1924 was 64. During the year they closed 11,390 loans amounting to \$74,586,761. The unfavourable bond market during the first half of the year made a curtailment of operations by these banks necessary. On 31 December 1924

(1) The loans by the Federal Land Banks are made through the agency of the National Farm Loan Associations.

the farm loan bonds outstanding amounted to \$436,062,976 (including farm loan bond coupons amounting to \$995,576). The net earnings of the joint-stock banks for the year amounted to \$2,288,278.

Up to 31 October 1924 the joint-stock land banks had granted loans amounting to \$467,984,667, distributed among 60,552 borrowers. The area mortgaged as security for these loans was 15,401,278 acres and the total appraised valuation was \$1,203,719,642, being \$1,023,315,055 for land and \$180,404,587 for buildings.

The purposes for which the loans have been made by the Federal Land Banks and the joint-stock land banks are shown in the following table.

Statistics of the Federal Land Banks and of the Joint-Stock Land Banks showing the Purposes for which their Loans were made, and the Amounts granted from the time of Organization up to 31 October 1924.

Purpose for which the loans were made	Federal Land Banks		Joint-Stock Land Banks	
	Amount	Percentage	Amount	Percentage
	\$		\$	
Purchase of land mortgaged	85,679,739	9	44,922,083	10
Purchase of other land	10,848,808	1	4,159,213	1
Buildings and improvements	51,654,660	5	15,440,194	3
Implements and equipment	9,966,818	1	5,724,402	1
Fertilizer	1,004,742	—	186,193	—
Irrigation	564,121	—	63,625	—
Bank stock	49,183,069	5	—	—
Purchase of live stock	19,385,276	2	3,864,012	1
Payment of mortgages	632,225,775	65	366,263,705	78
Payment of other debts	116,248,720	12	27,361,240	6
Total	976,761,718	100	467,984,667	100

Federal Intermediate Credit Banks. — The twelve Federal Intermediate Credit Banks were established by the Agricultural Credits Act, 1923, and commenced operations about the middle of that year. The entire capital stock is owned by the Government. Each Bank has a subscribed capital of \$5,000,000 of which \$2,000,000 has been paid and the remainder is available when called for. Additional funds are raised by the sale of debentures. The debentures outstanding on 31 December 1924 amounted to \$49,710,000.

During 1924 the direct loans closed by the Intermediate Credit Banks amounted to \$57,077,727 and the rediscounts to \$33,351,162. Total combined repayments were \$70,894,242. Since beginning operations up to 31 December 1924 the direct loans closed had amounted to \$91,775,075, the number of individuals served being 697,289; the total rediscounts closed had numbered 19,567 and had amounted to \$42,762,134. Total com-

bined repayments up to the same date had been \$72,270,132, leaving a total outstanding of \$62,267,077 ; of this total, direct loans outstanding accounted for \$43,507,441 and rediscounts for \$18,759,636. During 1924 the total net earnings of the twelve Banks were \$1,056,626 of which amount one-half was paid to the Government Treasury.

The Intermediate Credit Banks experienced no difficulty in procuring adequate funds for their operations. During the year by reason of the favourable debenture market the interest rate was reduced on direct loans to 4 ½ per cent. and on rediscounts to 5 per cent. As in the previous year National and State banks did not as a rule avail themselves of the services of the Intermediate Credit Banks.

On 31 December 1924 outstanding rediscounts made by the Intermediate Credit Banks for banking and financing institutions amounted to \$18,759,636, These outstanding rediscounts were as follows :

National banks	26,580
State banks	812,189
Agricultural credit corporations	9,787,005
Livestock loan companies	7,964,516
Savings banks and trust companies . . .	169,346
Total . . .	18,759,636

The security against which these rediscounts were made was :

	\$
Cattle	7,767,072
Other live stock	3,974,823
Other general agriculture	7,017,741

The Intermediate Credit Banks have assured the financial stability and permanence of the co-operative marketing associations by providing them with long term advances (as a rule for a period of six months) at reasonable cost and regardless of temporary fluctuations in the money market. Commercial banks have co-operated by furnishing short-term credits. The policy of the Federal Farm Loan Board has been to encourage associations to place their short-time paper with the commercial banks and their long-time paper with the Intermediate Credit Banks ; by this means they would be adequately financed and assured of an opportunity to conduct an all-the-year-round orderly marketing programme. Both the Farm Loan Board and the Intermediate Credit Banks have been very active in aiding in the formation of commodity marketing associations

The direct loans to co-operative marketing associations upon various commodities made by the Intermediate Credit Banks outstand-

ing on 31 December 1924 amounted to \$43,507,441. Repayments totalled \$48,267,634. The loans outstanding were made up as follows :

	\$		\$
Cotton.	13,613,500	Canned fruit and vege- tables	569,824
Tobacco	20,274,280	Rice	391,656
Wheat	2,644,673	Red-top seed	23,000
Raisins	4,000,000	Peanuts	324,378
Prunes.	1,500,000	Broomcorn	107,477
Wool	33,653	Olive oil	25,000

Joint Fiscal Agency for the Land Banks and the Intermediate Credit Banks. — The Federal Land Banks and the Federal Intermediate Credit Banks on 1 July 1923 established a joint fiscal agency at Washington, D. C.

The general purpose and scope of this agency is to centralize the fiscal operations of these two classes of banks, to observe and protect the market for their securities, to advise as to time, amount and rate of offerings of farm loan bonds and negotiate the terms of such offerings subject to approval of the Federal Farm Loan Board, to seek new outlets and a broader market for these securities, to correlate the operations of the banks, to arrange transactions between them, so that one being temporarily in need of funds might be temporarily supplied by another having a temporary surplus, and to introduce and sell the debentures of the Intermediate Credit Banks.

At the time when the fiscal agency was established the Intermediate Credit Banks had made no issue of debentures. The agency undertook the task of introducing these securities and of selling them direct to banks and the investing public and had, to 31 December 1924, sold \$117,650,000 of them. These were sold at prices approved in each instance by the Farm Loan Board, and sold without cost except the sum of \$7,985 for advertising.

The experience of the fiscal agency has fully justified its establishment. The tangible savings and earnings by the agency on behalf of the two classes of banks amounted to \$223,228, and this was after deducting all the agency expenses including advertising. To this profit may also be added a very considerable advantage in the market price obtained on subsequent sales by reason of the market operations referred to.

Foreclosures by the Land Banks and the Joint-Stock Banks. — From the time of organization up to 31 December 1924 the Federal Land Banks and the joint-stock land banks had instituted foreclosure proceedings on 5,136 mortgages involving loans and accrued interest amounting to \$21,906,550. These cases had been disposed of as follows : Foreclosures completed and land acquired by the banks numbered 1,396, amounting to \$6,336,603 ; cases pending on 31 December 1924 numbered 1,275, amounting to \$6,596,065. Subsequent sales of land acquired by the banks through foreclosure resulted in gains in 158 instances, totalling \$37,389, and losses in 88 instances, amounting to \$39,055, or a net loss on all sales of acquired lands of \$1,666.

F. L. T.

Economic and Social Conditions of the Agricultural Classes

BELGIUM

Measures for the Encouragement of Rural Building Schemes. — GIELE (J) : Comment devenir propriétaire d'une ferme ou d'une habitation à bon marché Ministère de l'Agriculture et des Travaux Publics. Avis aux cultivateurs, No. 22. Brussels, 1923. — DO. : La question des habitations rurales à bon marché *Journal des Agriculteurs de Belgique*, No. 48. Brussels, 29 November 1924.

The movement of the rural population from the country to the town is a phenomenon which has manifested itself for reasons both of a general and special character, connected with particular situations in nearly every country during recent years. The effects of the movement have been felt with particular intensity in Belgium (1) where the rural exodus has at times proceeded with alarming rapidity, mainly owing to the lure of high industrial wages, and particularly those offered by the firms which have undertaken reconstruction contracts in the devastated regions.

The authorities lost no time in devising schemes to check the movement towards urbanization. The problem was partly solved by a number of measures taken with a view to rendering rural life more comfortable and attractive, while particular attention was paid to the aesthetic improvement of the village. The reader will perhaps remember the interesting model of a "Modern Village" (2) erected in the International Exhibition at Ghent (1913) on the happy initiative of M. De Vuyst, Director General in the Ministry of Agriculture and Public Works of Belgium. This model village, which was one of the features of the Exhibition and particularly instructive, was very generally admired. The intention was to represent the village as it ought to be at the present day, complete in every detail and possessing all the buildings and factories necessary for the public services and farm requirements, and so fulfilling all the material and social demands of modern rural life.

The problem has been carefully studied by the *Commission pour l'embellissement de la vie rurale* which, at a meeting held on 19 July, approved important measures for the improvement of social life in the country, with a view to checking rural depopulation. M. E. Tibbaut, the first Vice-President of the Chamber of Representatives, who has made a careful study of the problems of Belgian rural economics, states definitely that the best way of populating rural districts is by "increasing the number of

(1) See ULENS (Robert) : The Rural Exodus in Belgium, in the *Monthly Bulletin of Economic and Social Intelligence* (May 1914), published by the International Institute of Agriculture.

(2) See : The "Modern Village" at the Ghent Universal Exhibition, in the *Monthly Bulletin of Economic and Social Intelligence* (March 1924) published by the International Institute of Agriculture.

dwellings and facilitating the acquisition of land. The desire for ownership is the most powerful tie that binds the labourer to the land. The hope of gaining an independent position, through becoming the owner of a small farm, will make a man perform wonders in the way of toil and thrift, the two factors which, for the bulk of small cultivators, represent the basis of independence ”.

The Belgian Government in this spirit has been endeavouring for some time past to encourage the acquisition of small holdings, and to assist town and rural workers desirous of obtaining a house to live in. Legislation on this point allows wide scope for State aid, and mention may be made of the chief measures adopted in this connection. It should be noted that these measures are equally applicable to agricultural and industrial workers, and that the cultivator is allowed to benefit by all the privileges provided by the Law, whether he be working on his own account or for others.

By a law passed on 9 August 1889, which was supplemented by a further law passed on 30 July 1892, the General Savings Bank (*Caisse Générale d'Épargne et de Retraite*) was authorized to invest part of its available funds in loans for building, or for the purchase of real estate to be used for workmen's dwellings or small farms. These loans are negotiated through building societies or credit institutions. The object of the former is “ the construction, purchase, sale or renting of dwellings ”, while the latter make loans on easy terms, for house purchase or building. As a result of these laws, through which 131 companies, recognized by the Savings Banks, came into being, about 73,000 dwellings were placed at the disposal of the working class.

It was subsequently realized that it was inadvisable for the Savings Bank mentioned above to have large sums of money tied up in this way. A law was consequently passed on 11 October 1919 by which the National Cheap Dwellings Society (*Société Nationale des Habitations à bon marché*) was formed, with the object of advancing funds (for which the present rate of interest is 2 per cent.) to the local Cheap Dwellings Societies. Up to the present, the National Society, in order to meet the more urgent requirements has only recognized building societies, 234 in all in 1923, which confine their activities to the sale, adaptation or building of workmen's dwellings with the object of letting or selling them to persons who have the necessary qualifications.

Thanks to the policy of the National Society, and also to the method prevailing of building to a standard type and with careful planning, and to the use of a standard type of material, for which large orders can be placed, the building societies which undertake to supply cheap dwellings have been able to provide comfortable and sanitary housing at the most favourable terms possible at the present moment.

By a decree issued on 14 October 1922, builders were authorized to sell houses built for individual families. This decree also contains provisions and regulations governing the award of a State premium to the first 7,500 purchasers.

Lastly by a decree of 14 August 1922 which was modified by a subsequent decree dated 30 July 1923, private persons of moderate means wish-

ing to have a house built for their own use were also enabled to claim a premium from the State. These grants vary from 2,000 to 3,000 francs, the amount being increased in proportion to family requirements. Several provinces, and a few communes, also allow supplementary grants to purchasers or builders of cheap dwellings.

As a general rule it may be said that every Belgian citizen whose income does not exceed 5,775 francs in communes of less than 5,000 inhabitants, 6,600 francs in communes of 5,000 to 15,000 inhabitants, 7,425 francs in communes of 15,000 to 30,000 inhabitants, 8,250 francs in communes of 30,000 to 60,000, and 9,900 francs in communes of 60,000 inhabitants and over can obtain financial assistance from the organizations mentioned, while the charges on the transaction correspond to a reasonable rent, fairly calculated in proportion to the resources of the borrower. To this is added a life insurance scheme whereby the wife and children are relieved from financial anxiety in the event of the premature death of the head of the house.

In accordance with the size of the commune and the number of members of the family the value of the advances varies from 14,000 to 20,000 francs for dwellings of a value of 21,000 to 38,000 francs, including site.

Recognized societies have their agents in all districts who explain the procedure to be followed to persons desiring to take advantage of the scheme.

G. C.

GREAT BRITAIN AND NORTHERN IRELAND

The Cost of Living of Farm Workers in England (1). — ASHBY (A. W.): *Farm Workers' Budgets* *Journal of the Ministry of Agriculture*, Vol. XXXI, Nos. 9, 10, 11. London, December 1924, January, February 1925.

In the early part of 1924 an investigation was carried out into the expenditure of farm workers' families in England in order to obtain information as to their cost of living. Two groups of budgets (called here for the sake of clearness "Group A" and "Group B") were collected; these were examined first separately and then together.

Group A. Forty Families. — Between sixty and seventy farm workers' budgets, containing particulars of expenditure for one week, were collected by the National Union of Agricultural Workers in February and March, 1924. Of these, 49 were tabulated, the remainder, having too little detail or being unsuitable for other reasons, were excluded. Of the 49 returns, 9 gave no particulars of the size or composition of the families to which they referred; these 9 were therefore excluded and the detailed examination confined to the group of 40 budgets for which particulars of the families were given.

Certain difficulties were met with in dealing with the 40 budgets examined. Some of the families had failed to make a separate return for

(1) See: "Supply and Conditions of Agricultural Labour in England", in this *Review*, November-December 1919, page 660.

cleaning materials (*e. g.* soap, soda), there being an inclusive term "groceries", *i.e.*, foodstuffs, which almost certainly covered cleaning materials. Some of the families also failed to mention any payments for insurances although 5d. per week is now the statutory contribution to the National Health Insurance Scheme, general amongst farm workers, and there are very few cases in which the whole cost is met by the employer. Adjustments were therefore made to the returns; a subtraction was made from the total expenditure on foodstuffs and a corresponding sum added to the items of cleaning materials and insurance. This adjusted expenditure is shown side by side with the actual expenditure (see Tables I, II and III).

The itemised expenditure for one week for the group of 40 families was as follows:

TABLE I. — *Expenditure of 40 Families for One Week.*

Items	Expenditure			Adjusted expenditure			Average on 40 cases	
	Total	Number of occurrences	Average	Total	Number of occurrences	Average		
	s. d.		s. d.	s. d.		s. d.	s. d.	
Rent	85 2 ½	32	2 8	85 2 ½	32	2 8	2 1 ¼	
Foodstuffs	772 6	40	19 3 ¾	759 7	40	18 11 ¼	18 11 ¼	
Cleaning materials	24 1 ½	29	10	33 4	40	10	10	
Insurance	35 5	31	1 1 ¼	39 2	40	11 ¼	11 ¼	
Clothing	17 5 ½	9	1 11 ¼	17 5 ½	9	1 11 ¼	5 ½	
Fuel and lighting. . . .	177 7	40	4 5	177 7	40	4 5	4 5	
Any other	12 7 ½	15	10	12 7 ½	15	10	3 ¾	
Total	1,124 11	40	28 1 ½	1,124 11 ½	40	—	28 0 ¼	

The total wages of the men who were heads of families amounted to 954s. 4d., whilst the family expenditure was 1,124s. 11d. This, however, does not imply inaccuracy because other members of the family may be employed, and it has been a common experience that budgetary enquiries fail to elicit all sources of family income. Moreover, there is always the possibility of one or more families being in the course of running up debts in any given week. With an average wage of 27s. 3d. per head of family and an average expenditure of 28s. 1 ½d. there can be little cause of doubt of general accuracy.

The 40 families were composed of 85 adults and 152 children, a total of 237 persons, the average per family being 2.125 adults and 3.8 children, an average total per family of 5.925. This average family is equal to 3.8 men for dietary purposes. The sum spent on food per head was 3s. 2d., or 5s. 0d. per "man". The size of the average family in this case coincides almost exactly with the size of the average family as found in investigations carried out in 1902 and 1918.

In order to discover if any difference in expenditure occurred as a consequence of there being a large or small number of children in a family

the 40 budgets were divided into two groups, one containing those families with three children or less and the other those with more than three children. There were 18 families in the first group and 22 in the second. The expenditure of these groups is shown separately in Tables II and III.

TABLE II. — *Expenditure for One Week of 18 Families with 3 Children or less per Family.*

Items	Expenditure				Adjusted expenditure				Average of 18 cases	
	Total		Number of cases	Average	Total		Number of cases	Average		
	s.	d.		s.	d.	s.		d.	s.	d.
Rent	40	1	11	2 10 ¼	40	1	14	2 10 ¼	2	3
Foodstuffs.	324	3 ½	18	18 0 ¼	318	9 ¼	18	17 8 ½	17	8 ½
Cleaning materials	10	1	13	9 ¼	13	10 ¼	18	9 ½		9 ½
Insurance	17	11 ½	14	1 3 ¼	19	7 ½	18	1 1	1	1
Clothing	6	5 ½	4	1 7 ½	6	5 ½	4	1 7 ½		4 ½
Fuel	77	9	18	4 3 ¾	77	9	18	4 3 ¾	4	3 ¾
Other expenditure	5	5 ½	7	9 ¼	5	5 ½	7	9 ¼		3 ¾
Total	482	1	18	26 9 ¼	482	0	—	—	26	10

These families consisted of 36 adults and 46 children, a total of 82 persons. There was an average of 2.0 adults and 2.55 children per family, an average total of 4.55. These 4.55 persons represented 3.075 men for dietary purposes. The average expenditure on foodstuffs amounted to 3s. 11 1/2d per person, or 5s. 11d per "man". This expenditure per head on food is seen to be higher than that of the average families.

TABLE III. — *Expenditure for One Week of 22 Families with more than 3 Children per Family.*

Items	Expenditure					Adjusted expenditure					Average of 22 cases	
	Total		Number of cases	Average		Total		Number of cases	Average			
	s.	d.		s.	d.	s.	d.		s.	d.	s.	d.
Rent	45	1 1/2	18	2	6	45	1 1/2	18	2	6	2	0 1/2
Foodstuffs	448	2 1/2	22	20	4 1/2	440	10 1/2	22	20	0 1/2	20	0 1/2
Cleaning materials	14	0 1/2	16		10 1/2	19	3 1/2	22		10 1/2		10 1/2
Insurance	17	5 1/2	17	1	0 1/4	19	6 1/2	22		10		10 3/4
Clothing	11	0	5	2	2 1/2	11	0	5	2	2 1/2		5
Fuel	99	10	22	4	6 1/2	99	10	22	4	6 1/2	4	6 1/2
Other expenditure	7	2	8		10 3/4	7	2	8		10 3/4		4
Total . . .	642	10	22	29	2 1/2	642	10	—	—		29	1 3/4

These families consisted of 49 adults and 106 children, a total of 155 persons. The average per family was 2.23 adults and 4.82 children, an average total of 7.05. This average family represents 4.4 "men" as compared with 3.8 "men" for the 40 families and 3.075 for the 18 families. The expenditure on food of the 22 large families is relatively very low for it amounts to only 2s. 10d. per head, or 4s. 6½ d. per "man".

Group B. Forty-three Families.— In order to obtain still further information a second group of budgets was collected. These related to the weekly expenditure of farm workers' families at the end of March or beginning of April, 1924. There were 43 families for which returns were received and they represented a large number of counties widely distributed over the country.

The itemised expenditure of this group of families was as follows.

TABLE IV. — *Expenditure of 43 Families for One Week.*

Items	Total		Number of occurrences	Average		Average for 43 families	
	s.	d.		s.	d.	s.	d.
Rent	93	4½	28	3	4	2	2
Foodstuffs	965	2½	43	22	5½	22	5½
Cleaning materials	58	1¼	41	1	5	1	4½
Insurance	74	10¾	43	1	9	1	9
Fuel and light	226	0	43	5	3	5	3
Miscellaneous (including fares)	48	8½	21	2	4	1	1¼
Total expenditure	1,466	3½	43	—	—	34	1¼
Total income	1,633	3½	43	—	—	37	11¾
Balance (excluding clothing)	167	0	43	—	—	3	10½

The average weekly cash wages of all regular workers, including adults and youths, were 26s. 7d. The total earned income (regular and casual) for the 43 families in one week was 1,582s. 3½d. The total received from pensions, either disability pensions for war service or old age pensions as a result of maintenance of aged relatives, amounted to 51s. 0d., making a total cash income of 1,633s. 3½d, an average per family of 37s. 11¾d. The incomes of these families were seen to be higher than the average for the country as a whole.

The 43 families consisted of 114 adults (over 14 years) and 127 children, a total of 241 persons. There was an average per family of 2.65 adults and 2.95 children, an average total of 5.60 persons. This family corresponded to nearly 3.9 men for dietary purposes. The expenditure per week on foodstuffs was about 4s. 0d. per person, or 5s. 9d. per "man".

As in the case of the Group A budgets the 43 families were divided

into two groups, families with 3 children or less and families with more than 3 children. There were 25 families in the first group and 18 in the second.

The weekly expenditure of the first group is shown in Table V.

TABLE V. — *Expenditure for One Week of 25 Families with 3 Children or less per Family.*

Items	Total		Number of occurrences	Average		Average for 25 families	
	s.	d.		s.	d.	s.	d.
Rent	64	9	19	3	5	2	7
Foodstuffs	510	5 ¼	25	20	5	20	5
Cleaning materials	35	7	25	1	5	1	5
Insurance	43	1	25	1	8 ¾	1	8 ¾
Fuel and light	136	9 ¾	25	5	5 ¾	5	5 ¾
Miscellaneous (including fares)	27	2 ½	12	2	3 ¼	1	1
Total expenditure . . .	817	10 ½	25	—	—	32	8 ½
Total income	921	1 ½	25	—	—	36	10
Balance (excluding clothing)	103	3	25	—	—	4	1 ½

These families averaged 2.98 "men" for dietary purposes. Their expenditure on food per week was 5s. 2d. per person, or 6s. 10d. per "man". The weekly expenditure of the 18 families was as follows.

TABLE VI. — *Expenditure for One Week of 18 Families with more than 3 Children per Family.*

Items	Total		Number of occurrences	Average		Average for 18 families	
	s.	d.		s.	d.	s.	d.
Rent	28	7 ½	9	3	2 ½	1	7
Foodstuffs	454	9 ¼	18	25	3 ¼	25	3 ¼
Cleaning materials	22	6 ¼	16	1	5	1	3
Insurance	31	9 ¾	18	1	9 ¼	1	9 ¼
Fuel and light	89	2 ¾	18	4	11 ½	4	11 ½
Miscellaneous (including fares)	21	6	9	2	4 ¾	1	2 ¼
Total expenditure . . .	648	5	18	—	—	36	0 ¼
Total income	712	2	18	—	—	39	6 ¾
Balance (excluding clothing)	63	9	18	—	—	3	6 ½

These families averaged 5.14 "men". Their expenditure on food-stuffs per week was 3s. 2½d. per person, or only 4s. 11d. per "man".

In addition to the cash income received and expended, as stated, the group of 43 families received and used or consumed other goods. Part of these were received as allowances in kind as payment, and part were produced at home. The allowances were as follows: 15 families lived in rent-free cottages, 11 received milk, 3 potatoes, 4 pork or bacon, and 2 coal. The total value of allowances received was estimated at 91s. 5½d.; if spread over the 43 families this averages 2s. 1½d. per family per week. Twenty-seven families stated that they held allotments, the total area held being 1,075 poles (nearly 6¾ acres), the average for the 27 families being nearly 40 poles (one quarter acre). The rent, where stated, averaged about £4 15s. per acre. The gross value of home produce cannot be considered as income; the rent of the allotment, cost of seed, etc., and possibly labour, must first be subtracted.

Estimates were made of the cost of clothing, boots, household linen, and household utensils. The Farming Costs and Cost of Living Committee of the Agricultural Wages Board in 1918 estimated the expenditure on clothes for a family of 5½ persons at 3s. 6d. per week in 1914 and 6s. 8d. in 1918, but household necessities such as linen and utensils were not included. In the present study, basing an estimate on a number of families which made returns, the clothing requirements of the family were estimated to be about 8s. 0d. per week, and if house linen, china and utensils were added, about 9s. 0d. per week: these figures, however, are probably somewhat too high. The expenditure on repairs to boots and clothing was estimated at about 1s. 7d. per week. As these figures, totalling 10s. 7d. are far in excess of the sum of 3s. 10½d. available (see Table IV) it is obvious that the provision of new clothes largely depends upon extra earnings, mainly in the harvest seasons. This corresponds with what is known of the habits and customs of farm workers' families.

Combined Group. Eighty-three Families.— In order to obtain results still further representative of conditions in the country as a whole, and as it was very probable that the two groups of budgets, Group A and Group B, respectively represented conditions slightly under and slightly over the average, the two groups were put together, making a combined group of 83 families. The weekly expenditure of this group was as follows.

TABLE VII. — *Expenditure of 83 Families for One Week.*

Items	Total		Average for 83 families	
	s.	d.	s.	d.
Rent	178	7	2	2
Foodstuffs.	1,724	9 ½	20	9
Cleaning materials.	91	5 ¼	1	1
Insurances, club, etc.,	114	0 ¾	1	4
Fuel and light.	403	7	4	10
Miscellaneous	61	4		9

The weekly expenditure of the 83 families amounts to 2,573s. 9 $\frac{1}{2}$ d., an average per family of 31s. od.

These families averaged 2,397 adults (over 14 years) and 3,361 children, a total per family of 5,758 persons, and equal to 3.85 men for dietary purposes. The average expenditure on food was 3s. 7 $\frac{1}{4}$ d. per person, or 5s. 4 $\frac{1}{2}$ d. per "man".

As in the cases of Group A and Group B, a comparison was made between the large and the small families. The 18 families of Group A and the 25 families of Group B having 3 children or less per family were grouped together. They gave combined results as follows.

TABLE VIII. — *Weekly Expenditure of 43 Families with 3 Children or less per Family.*

Items	Total		Average for 43 families	
	s.	d.	s.	d.
Rent	104	10	2	5 $\frac{1}{4}$ (1)
Foodstuffs	829	2 $\frac{1}{2}$	19	3
Cleaning materials	49	5 $\frac{1}{4}$	1	1 $\frac{3}{4}$
Insurances	62	8 $\frac{1}{2}$	1	5 $\frac{1}{2}$
Fuel and light	214	6 $\frac{3}{4}$	5	0
Miscellaneous	32	8		9

(1) In this group there were 33 cottages for which rents were paid, the average rent per cottage being 3s. 2d. When spread over the 43 families this averages 2s. 5 $\frac{1}{4}$ d. per week.

The weekly expenditure of these 43 families amounts to 1,293s. 5d., giving an average of 30s. 0 $\frac{1}{4}$ d.

The families in this group averaged 2,30 adults (over 14 years) and 1,91 children, an average total per family of 4,21 persons, and equal to 3.022 "men". The average expenditure on food per week was 4s. 7d. per head, or 6s. 4 $\frac{1}{2}$ d. per "man".

The 22 families of Group A and the 18 families of Group B having more than 3 children per family were also grouped together. The results were as follows.

The weekly expenditure of these 40 families amounts to 1,278s. 2d., an average expenditure of 31s. 11 $\frac{1}{4}$ d.

These families averaged 2,50 adults (over 14 years) and 4,925 children, an average total of 7,425 persons, and equivalent to a little over 4.4 "men". The average expenditure on food of this group per week was 3s. 0 $\frac{1}{4}$ d. per head, or 5s. 1d. per "man".

The difference in expenditure on foodstuffs as between the larger and the smaller families found in this investigation is significant; it enforces the generally known fact that the families containing the larger numbers of

TABLE IX. — *Weekly Expenditure of 40 Families with more than 3 Children per Family.*

Item	Total		Average for 40 families	
	s.	d.	s.	d.
Rent	73	9	1	10 (1)
Foodstuffs	895	7 $\frac{3}{4}$	22	4 $\frac{3}{4}$
Cleaning materials	41	9 $\frac{3}{4}$	1	0 $\frac{1}{2}$
Insurances	49	3 $\frac{1}{4}$	1	3 $\frac{1}{2}$
Fuel light.	189	0 $\frac{1}{4}$	4	8 $\frac{3}{4}$
Miscellaneous	28	8		8 $\frac{1}{2}$

(1) In this group there were 27 cottages for which rents were paid; the average rent for these cottages was 2s 8 $\frac{3}{4}$ d. per week. When averaged over the 40 families it becomes 1s 10d per week.

children suffer to some extent in the matter of diet. The expenditure on foodstuffs may be restated alone for purposes of comparison. It is as follows:

	Three children or under		More than three children	
	s.	d.	s.	d.
Total expenditure.	19	3	22	4 $\frac{3}{4}$
Per head	4	7	3	0 $\frac{1}{4}$
Per "man"	6	4 $\frac{1}{2}$	5	1

On the important point of the extent to which the foodstuffs obtained meet the dietetic requirements of the families no statement can be made, for in the budgets of Group B no attempt was made to get a description of foods, whilst in Group A the cash cost of foodstuffs was generally given without the weights being specified. As regards expenditure on foodstuffs, however, it is probable that the combined group of 83 budgets yields results which are fairly representative of the expenditure of farm workers' families in the early part of 1924. F. L. T.

ITALY.

National Organization of Workers' Spare Time — GIANI (Mario): Il Dopolavoro Quaderni del dopolavoro No 1. Rome, 1925 — REGIO DECRETO-LEGGE 1^o MAGGIO 1925, N 582. ISTITUZIONE DELL'OPERA NAZIONALE DEL DOPOLAVORO *Gazzetta Ufficiale del Regno d'Italia*, No. 112. Rome, 14 May 1925 — REGIO DECRETO-LEGGE 25 OTTOBRE 1925, N. 1908. ISTITUZIONE DEL DOPOLAVORO FERROVIARIO. *Gazzetta Ufficiale del Regno d'Italia*, No. 265. Rome, 14 November 1925.

During the last few years, owing mainly to the efforts of enlightened manufacturers and farmers, a number of schemes for the provision of

healthy and profitable employment for workers' spare time have been inaugurated, amid general approval in Italy as in other countries. Indeed, with the adoption of the eight hour working day, and its application to the great mass of the agricultural labourers, it became a problem of some urgency how best to second the aims of the new departure by schemes which would be attractive to workmen during their spare time, while at the same time promoting their moral, physical and vocational improvement. The Confederation of Fascist Corporations quickly recognized the importance of the problem and issued a circular in which a full programme of its solution was sketched out. Besides providing for the needs of the younger workers by means of gymnastic and sports clubs, the programme emphasized the advisability of assisting the older men to employ at least a part of the time not now devoted to work in useful and worthy pursuits. Social clubs generally frequented by worker and peasant members of the unions, were invited to draw up recreative educational programmes with the object of providing an opportunity of "combining recreation with improvement, while diminishing the misuse of earnings". The clubs were to undertake some one of the following schemes : 1. a series of instructive discussions on general or technical subjects short, useful and to the point ; 2. travelling libraries ; 3. classes for illiterates, for housewives, etc. ; 4. propaganda on agricultural subjects, hygiene, etc. ; 5. musical groups ; 6. dramatic groups ; 7. cinema displays ; 8. open air games, sports ; 9. walks and excursions ; 10. the development of rural and domestic industries ; 11. workmen's gardens and vegetable gardens ; 12. various forms of social welfare work.

In addition these clubs were advised to keep in touch with others in the same neighbourhood or in surrounding localities, so as to be able to exchange lecturers and sports teams, musical and dramatic performers, and thus be in a position to organize shows and hold meetings at a minimum of expense. They were not to limit themselves to efforts on behalf of their own members only, but by making the club the centre of all the various recreative, educational and welfare activities, they were to aim, especially in the smaller localities, at benefiting all the residents in the district.

The circular was most favourably received. The first effective efforts towards employment of workmen's spare time, which were enthusiastically supported by Mario Giani, the able leader of the movement, were made in the large industrial houses under the form of provident schemes, the institution of savings banks, hygienic dwellings for the staff, summer holidays, kindergartens, libraries, workmen's theatres, playing fields, etc. But the beneficial influence and the value of these institutions, which especially flourished in the Northern provinces, also gained recognition outside the purely manufacturing area, and became highly appreciated in agricultural districts ; witness the remarkable organization in the Province of Novara, — an essentially agricultural province — which numbers over 110 "dopolavoro" organizations with a membership of 35,000. Other workers' spare time organizations exist at Parma, Piacenza, Romagnano Sesia, Florence, Perugia, Trento, Fiume, etc. At

various rural centres of less importance are found workers' spare time organizations with a social welfare office, a mess room, bowling ground, writing room and dancing hall. The "Cairolì", or workers' spare time club at Novara, possesses a large central building, a playing field, and a club orchestra; that of Ancona possesses a large lecture hall, a well-stocked library, and a vocational school. The bands of the workers' spare time organization of Northern Trentino are famous. Mention may be made also of schools of modelling, of decorative art, and choral classes. The choral class at Parma is a good example.

Worker's spare time organizations have largely adopted the use of the film, with a cinema apparatus of their own, thus enabling wisely selected pictures to be shown. At various centres, in the country side, automobile travelling cinemas are also in use which serve at regular intervals out-of-the-way places where no special premises are available.

In some of the provinces the organization of workers' spare time occupation can be termed complete, *i. e.*, it covers all the municipalities, communes and any smaller units that are of any importance. In others efforts are concentrated on reaching high technical perfection by means of the appointment of a specialized teaching staff, the greatest success being achieved in physical training and games.

It soon became evident, however, that it was necessary to co-ordinate the various efforts in order to enable them still more effectively to meet the requirements of the human and social aims in view. In Italy the first attempt to link together these kindred institutions dates from 1919, when a special office was set up in Rome to serve as a publicity centre, and as a centre for the 'direction and promotion of spare time activities. For the purpose of organizing the movement on effective and systematic lines, a propaganda scheme was carried out with the help of the publication of an illustrated review, and press communications, with a view to attracting the attention of the authorities and the public to the subject. The office also investigated the extent to which organizations for workers' spare time occupation were developed abroad, and a special information service for the benefit of associations, institutions and private persons was inaugurated. This office was formally recognized by the Confederation of Fascist Corporations and, at the end of 1923, took the name of Central Office for Workers' Spare Time Occupation (*Ufficio Centrale del Dopolavoro*). The constantly increasing popularity of the movement and its international recognition made necessary an extension of its scope. Now that it has assumed national importance, a fact emphasized by the great variety of the adhering institutions (1) and by the support of a number of well-known persons, it has to adopt a form of organization that could enable it to co-ordinate the schemes initiated by local groups and by the

(1) The Municipality of Rome has shown special interest in the movement and in accordance with suggestions from the Government, has decided to begin work on the premises of the elementary schools, which are admirably suited for the purpose from the ample facilities afforded by the accommodation, equipment and staff available. For use in connection with workers' spare time employment schemes, travelling libraries, cinema apparatus and accessories, musical instruments, radio apparatus, and every other available aid will be placed at the dis-

associations and institutions working along the lines of any of the branches of its extensive programme. As a result the National Institute of Workers' Spare Time Employment (*Opera Nazionale del Dopolavoro*) has been constituted as a corporate body by Decree of 1 May 1925, No. 582, under the presidency of the Duke of Aosta. It is endowed with a foundation capital of 1,000,000 liras and with a yearly subsidy from the State and is under the general control of the Ministry of National Economy. Its objects are:—

(a) to promote a healthy and profitable occupation of workers' spare time by means of institutions providing for their physical, intellectual and moral development ;

(b) to provide for the welfare of those institutions giving them the necessary support and encouraging their establishment as corporate bodies ;

(c) to associate them into Consortia for the purchase of material required for their own equipment, for propaganda, and for other purposes of common interest ;

(d) through publicity and other propaganda methods to make known the advantages of such institutions and the results attained by their work in raising the standard of the working classes ;

(e) to give special certificates of merit to members who prove especially deserving as well as to those who have exerted themselves to promote the aims of the Institute.

In accordance with the Decree above mentioned, divisional bodies for organizing workers' spare time occupations have been instituted under the management of committees consisting of persons of special competence or appointed by the members of the National Institute living in the district. The main purpose of these bodies is to promote the development of the *Dopolavoro* movement in their respective districts.

The working capital of the Institute consists, apart from the 1,000,000 liras contributed by the Ministry of National Economy, of contributions received from public administrative bodies, donations, bequests, subsidies from corporations and from private persons, members' subscriptions and the income from owned capital.

Finally it may be of interest briefly to point out the more conspicuous activities initiated and developed by the Italian *Dopolavoro* movement and recommended by the *Opera* :

1. Social welfare office supplying legal advice, information of an administrative character, or undertaking the despatch of business at public offices, etc. ; medical aid.

2. Popular instruction ; attractive and instructive discussions ; libraries at fixed centres and travelling libraries ; instruction in women's work

posals of school authorities. Special management committees will be formed for each school. The Municipality of Rome is planning to begin the spare time work regularly with the opening of the new school year. The Municipalities of other towns are also working towards a spare time programme. (See "LE PROVVIDENZE MUNICIPALI PER IL DOPOLAVORO" in *La Stirpe*, No. 7. Rome, July, 1925).

(household work, care of children, etc.) ; propaganda for the social and civic education of the masses ; classes for adults, courses for illiterates.

3. Hygiene and thrift propaganda.
4. Agricultural and forestry propaganda.
5. Recreation : musical bands, solo and choral singing, mandoline bands, dramatic clubs, concerts, lessons in classical and modern dancing, social gatherings and games, competitions, public entertainments, play grounds for workmen's children.
6. The cinema and the broadcasting radiotelephone.
7. Physical training ; open-air games and exercises, courses in physical training.
8. Excursions.
9. Dwellings : workmen's homes, propaganda for house decoration and house furnishing, competitions in workers' house furnishing, measures of hygiene.
10. Gardens and vegetable gardens : instruction and practical work in vegetable-growing, flower-growing and arboriculture, bee-keeping, poultry-rearing, etc. ; competitions and exhibitions, experiment fields.
11. Cheap restaurants and stores.
12. Spare time industries : organization and development of small rural and domestic industries.

Naturally these various forms of activity will differ according to the financial means, the tastes and the local circumstances of every case. The choice will thus be left to local organizations as they are more nearly concerned and better placed to form adequate judgement.

Finally as proof of the interest the National Government is taking in this problem, attention may be called to the recent provision for the establishment, in the State Railway Department, of a " Central Office for Railwaymen's Spare Time Occupation " (*Ufficio centrale del dopolavoro ferroviario*), with the object of co-ordinating, in agreement with the *Opera Nazionale del Dopolavoro*, all educational, sporting, recreative and welfare activities on behalf of the employees of the State Railways, who number some 178,000. A yearly appropriation amounting to 800,000 liras is made on the budget of the State Railways for the promotion and development of railwaymen's spare time organizations. This amount is supplemented by a certain contribution differing according to the number of employees actually on the books of the individual organizations. The value of such a measure as propaganda for the work of the *Opera* both in manufacturing districts as well as among the agricultural classes is evident. Among the activities planned in this new field, it is of interest from the point of view of agriculture to note the intended installation, along the railway lines, of vegetable gardens for the large class of railway guards. The gardens being laid out on certain prescribed technical lines should not only provide all vegetables necessary for the household in each case, but should also allow of the pursuit of some small rural industry, rabbit breeding, bee-keeping or the like, which would tend to link the interests of the individual with those of the community.

G. C.

Land Systems

AUSTRALIA

The Reclamation and Settlement of Land. — OFFICIAL YEAR BOOK OF THE COMMONWEALTH OF AUSTRALIA, Nos 16 (1923) and 17 (1924). Melbourne, 1923 1924 — THE OFFICIAL YEAR BOOK OF NEW SOUTH WALES, 1922, 1923. Sydney, 1923, 1924 — VICTORIAN YEAR-BOOK, 1922-23 Melbourne, 1924 — DEPARTMENT OF LANDS AND SURVEY OF SOUTH AUSTRALIA: ANNUAL REPORTS, 1922-23, 1923-24. Adelaide, 1923, 1924

The waste land of Australia is of one main type, namely, sandy, desert, arid, or semi-arid land. These lands, which cover enormous areas, lie chiefly in and towards the interior of the continent, occurring especially in the States of Western Australia and South Australia and in the Northern Territory, though there are also very considerable areas in New South Wales, Victoria and Queensland. The reclamation of waste land in Australia, therefore, is almost entirely dependent upon irrigation, and the extent to which reclamation can be effected depends upon the extent to which irrigation can be carried out. No attempt has been made to reclaim the vast waterless areas in the interior, but considerable efforts are now made with regard to the insufficiently watered lands lying along or near the rivers in the more closely settled parts of the country.

The question of reclamation must be considered in connection with the larger question of settlement. Reclamation is especially encouraged in connection with "closer settlement" and it is as regards the closer settlement policy that the special value of irrigation in Australia at present lies.

Acts relating to water conservation or irrigation have been passed in each of the States. In the States of New South Wales, Victoria, and South Australia comprehensive irrigation systems have been set up and extensive irrigation work undertaken, and Queensland is now embarking upon an extensive scheme. Each State possesses its own independent system with regard to water conservation and irrigation, and manages its own internal affairs. In the case of the River Murray, however, an exception must be made, for the conservation, regulation, and use of the waters of this river are now regulated and controlled by the Commonwealth Government and the Governments of the States of New South Wales, Victoria and South Australia, under the terms of an agreement entered into between them.

New South Wales. — Two important Acts relating to water conservation and irrigation have been passed in New South Wales. The Water Act, 1912, establishes State control over the rivers and lakes and over private waterworks. The Irrigation Act, 1912, relates to irrigation areas and provides, together with the Crown Lands Consolidation Act, 1913, for the disposal of land within irrigation areas. A special Act, the Murrumbidgee Irrigation Act, was passed in 1910 in connection with the Murrumbidgee Irrigation Scheme.

The irrigation system of the State and the works necessary for its maintenance and development are under the control of the Water Conservation and Irrigation Commission, a body consisting of the Minister for Agriculture, as chairman, and two others. The Commission is entrusted with the carrying out of the provisions of the Acts relating to water conservation and irrigation. The works controlled by the Commission include the Murrumbidgee Irrigation Scheme, the irrigation settlements at Hay and Wentworth, national works of water conservation, artesian and shallow boring for settlers, and water trusts and artesian bore trusts operating under the Water Act. The Commission also has control of storages, and diversions of water by private persons for purposes of conservation and irrigation, and it investigates and attends to administrative matters connected with proposed irrigation schemes.

Three irrigation schemes are now being carried out. These are the very important Murrumbidgee Irrigation Scheme and the smaller schemes of the Hay Irrigation Area and the Cullawarra Irrigation Area at Wentworth. New irrigation projects are also being undertaken or investigated.

The Murrumbidgee Irrigation Area, which lies in the districts of Yanco and Mirrool, is supplied with water from a large storage dam capable of holding 771,640 acre-feet, constructed at the head of the Murrumbidgee River. This dam retains the flood waters which are released for use on the extensive irrigation areas 250 miles lower down the river. The extent of the irrigation area is 359,000 acres, at 30 June 1923 there were under occupation 2,064 farms having a total area of 119,610 acres. During the season 1922-23 the area of crops irrigated amounted to 60,816 acres. At the beginning of 1923 it was proposed to make available an additional 2,700 farms within the following five years by the expenditure of £500,000 per annum.

The farms in the Murrumbidgee Irrigation Area vary in size from one acre to 250 acres. The average agricultural farm is from 15 to 25 acres in extent, but to suit the requirements of dairymen and other stock farmers, blocks of a larger size have been made available; these include non-irrigable or "dry" areas in addition to the irrigable portion. The tenure of all farms is perpetual leasehold involving residence, the farmer being able to transfer his lease after five years' occupation. A specified number of acre-feet of water is allotted at a fixed charge to each holding. With the aid of irrigation the soil and climate are suitable for all kinds of fruit growing and for growing most varieties of vegetables and fodder crops. Dairying and pig-raising are being carried on successfully by the settlers, and stock is raised in the drier parts. Loans may be granted to settlers by the Water Conservation and Irrigation Commission and by the Rural Bank Commissioners.

Towns and villages have been established at convenient centres on the irrigation area. The Water Conservation and Irrigation Commission has set up abattoirs, and butter, cheese, bacon, and fruit canning factories to treat the produce of the settlers. The butter and bacon factories and the abattoirs were sold to co-operative societies on 1 July 1921 and are now operated by the settlers. Two State nurseries supply fruit and other

trees to the settlers, and an experiment farm and a viticultural nursery are maintained on the irrigation area by the Department of Agriculture.

The Hay Irrigation Area, also situated on the Murrumbidgee River, consists of about 4,500 acres of land ; at 30 June 1923 the area occupied was 3,733 acres, of which 1,035 acres were irrigated. The Curlwaa Area, on the River Murray, comprises 10,600 acres, the area occupied at 30 June 1923 being 9,531 acres, of which 1,945 were under irrigation. The size of the holdings in the Hay Area vary from 3 to 34 acres and in the Curlwaa Area from $1\frac{1}{2}$ to 37 acres. In the former area dairying and pig-raising are the principal industries whilst the latter area is especially suited for fruit-growing, some of the finest oranges of New South Wales being produced in that locality.

Up to 30 June 1923 the following sums had been spent in connection with the three irrigation areas : Burrinjuck Dam and Murrumbidgee Irrigation Areas, £7,691,970 (including £1,613,158 outstanding advances to settlers) ; Hay Irrigation Area, 1912-1923, £14,237 ; Wentworth Irrigation Area (Curlwaa), £42,934

Victoria. — In Victoria the regulation and use of the water supplies of the State is provided for under the various Water Acts. Water Acts were passed in 1905 and 1909, a consolidating Act was passed in 1915, and supplementary Acts have been passed later. Prior to 1905 the management of irrigation in Victoria was in the hands of various Irrigation Trusts which were financed by the State. All of these Trusts, with one exception, the First Mildura Irrigation Trust, drifted into financial difficulties and the State was compelled to assume control. By the Water Act, 1905, State control was established, the State Rivers and Water Supply Commission was set up and entrusted with the management and control of all irrigation works except those controlled by the Mildura Trust, and of the more important domestic and water-supply works. Under the Water Acts provision has also been made for the reclamation of the swamp areas in Western Gippsland.

The two main groups of irrigation settlements in Victoria are those supplied from the Goulbourn River under the Goulbourn Irrigation Scheme, and those situated at various points along the Murray River. There are also settlements supplied from the Werribee River. The area under irrigated culture in the whole State in 1922-23, for all kinds of crop, was 350,727 acres, an increase of 62,820 acres over the area irrigated in the previous year, and 44,765 acres above the average of the four previous years.

Irrigation holdings are made available to settlers on the same terms as closer settlement holdings. Conditions as to residence and improvements are imposed, and the land is held on a conditional purchase lease, the purchase money being paid in not more than 73 half-yearly instalments with interest at not less than $4\frac{1}{2}$ per cent. For a time after the War irrigation holdings were reserved by the Commission for soldier settlers, but by 1923 the requirements of soldier settlers had been met and irrigation holdings were again made available under closer settlement conditions. During the year 1922-23, 312 applications for irrigable blocks were granted ; of

these 103 were from discharged soldiers and the remainder, 209, from civilians.

The settlers on the irrigated areas are making steady progress, and the value of their stock, implements, and permanent improvements has considerably increased. Fruit and citrus orchards are coming into full bearing on many of the settlements. On some areas dairying, pig-raising, and sheep-fattening are carried on. In the irrigated districts factories are set up to treat the produce of the settlers. In Werribee a milk products factory has been set up and in several other places butter factories have been established. The output of two fruit canning factories on the irrigated areas in 1921-22 represented 50 per cent of the total Victorian pack.

In addition to operations in connection with the irrigation areas already partially settled, extensive new projects are under construction. A scheme for the irrigation of some 80,000 acres of land along the Macallister River is being carried out and other storage works are being constructed and existing areas enlarged. The State Rivers and Water Supply Commission is also constructing very extensive works for supplementing domestic and stock water supplies, especially in the north-west section of the State.

In 1902 the total capacity of storages in the State was 172,000 acre-feet. In 1923 the capacity had increased to about 792,000 acre-feet and when the three storages under construction are completed, the total capacity will exceed 1,264,000 acre-feet. Further, the Hume Reservoir, which is in course of construction in connection with the inter-State Murray Scheme, will contain fully 1,100,000 acre-feet, half of which can, subject to the provisions of the River Murray Agreement, be credited to Victoria.

In Western Gippsland the State Rivers and Water Supply Commission has under construction a comprehensive scheme of works for the reclamation of the extensive swamps and for the protection from periodical flooding of the surrounding low lying lands aggregating in all 100,000 acres. These areas have, under the provisions of the Water Acts, been constituted Flood Protection Districts, and the construction of the main drains, feeders, and subsidiary works has already reached a stage which enables the landholders affected to realize the benefits of the scheme. Flood protection charges are levied upon the landholders concerned.

South Australia — The various Acts in South Australia relating to irrigation and land reclamation were consolidated in the Irrigation Act, 1922. Under this Act the Irrigation Commission was set up and entrusted with the control of all lands within irrigation areas. Provision is also made under the Act for collaboration between the Irrigation Commission and the Department of Lands and Surveys regarding certain work in connection with land reclamation and settlement.

A considerable number of irrigation settlements, some of which contain areas of reclaimed swamp land, have been formed in South Australia. Some settlements comprise but small areas but others are already large and capable of being extended. The irrigation areas, for example, under Gov-

ernment control on the River Murray above Morgan at the end of February 1924, contained 17,827 acres of irrigable land, allotted to 1,068 settlers, and 11,264 acres ready for allotment. The Cobdogla Irrigation Area, lying along the Murray, contains 30,000 acres of first class land capable of intense culture. In the Chaffey Irrigation Area preliminary survey work has been carried out over 14,000 acres of prospective irrigable land. Furthermore, proposals are being made regarding the drainage of Lake Albert, lying near the mouth of the Murray; if this is carried out an area of about 40,000 acres suitable for dairying will be reclaimed. The total area embraced within the various schemes capable of being reclaimed or brought under irrigation is 250,000 acres.

Irrigated lands are held under perpetual lease and not more than 50 acres of irrigated or reclaimed land may be held by one person. Conditions as to residence and improvements are imposed upon the holders. The water rate is fixed from year to year and on the irrigable land the present rate is 60 shillings per acre per annum. On the reclaimed lands an amount is charged to meet the annual management, drainage, and maintenance expenses. Under the Irrigation Act provision is made for the granting of credit to settlers on irrigated areas, though advances may only be made on the security of first mortgages (1). In the case of soldier settlers, the land is in most instances prepared and planted for fruit culture prior to allotment, and up to ten acres is cleared, channelled, graded and planted with vines.

The irrigation areas have already proved their suitability for the production of grapes, citrus fruits, figs, peaches, and other fruits. Beside these products lucerne and other fodders, onions, potatoes, and other vegetables are grown. Progress is being made with the establishment of co-operative and other factories to deal with the settlers' produce.

Queensland. — In Queensland an Irrigation Act has been passed and an Irrigation Commission set up. An extensive scheme is now being undertaken under which an area of 200,000 acres lying in the valley of the Dawson River is to be irrigated. For this purpose a reservoir having a capacity of 2,500,000 acre-feet is being constructed on the Dawson River some 30 miles below the town of Taroom; the lands thus irrigable are of a good agricultural type and cotton is already being grown. In the Inkerian Irrigation Area 4,500 acres were under irrigation at the end of 1923, and provision is being made to increase this area to 10,000 acres. In 1922 the number of irrigators in the State was 858, chiefly farmers and graziers, and the area irrigated was 14,314 acres.

Western Australia. — An Irrigation Act has been passed in Western Australia providing for the constitution of irrigation districts. At Harvey about 4,000 acres devoted to fruit-growing are irrigated, and a scheme is in preparation for irrigating a further area in the same district. Numerous small private irrigation schemes are in full operation on many of the southwest rivers in connection with fruit, fodder and potato growing.

The River Murray Scheme. — Under the terms of an agreement

(1) See this *Review*, Vol. II, No. 2, April-June 1924, page 294.

between the Commonwealth Government and the Governments of the States of New South Wales, Victoria, and South Australia, an extensive scheme is being carried out for the utilization of the waters of the River Murray for irrigation purposes. This agreement, known as the River Murray Agreement, was drawn up in 1914 and ratified in 1915, whilst amendments were made in 1920.

Under the Agreement provision is made for water to be utilized for irrigation but at the same time for navigation facilities on the river to be preserved. The available water is allotted in equitable proportions between the States of New South Wales, Victoria, and South Australia, and the costs of the scheme are apportioned between the four Governments concerned. A Joint Commission is set up to carry the Agreement into effect. On 31 January 1917 the River Murray Agreement was brought into operation, and the River Murray Commission, consisting of a representative of each of the four contracting Governments, was set up.

The Scheme provides for: (a) the construction of a dam and storage reservoir with a capacity of about one million acre-feet, known as Hume Reservoir and situated on the Murray a little below the junction with the Mitta Mitta River, ten miles above the town of Albury (1); from this reservoir waters are to be released to supply the needs of the irrigation settlements in New South Wales and Victoria, and to provide sufficient water for permanent navigation on the river; (b) storage works in connection with Lake Victoria, lying in the south-west corner of New South Wales; this lake will have a capacity of 500,000 acre-feet and will impound waters to be utilized for irrigation purposes in South Australia and to maintain the flow of the river for navigation purposes; (c) thirty-five weirs and locks, at intervals along the river and its tributaries, to control the flow of the river.

The actual work of construction is carried out by a separate body in each State: in New South Wales the Minister of Public Works, in Victoria the State Rivers and Water Supply Commission, and in South Australia the Commissioner of Public Works.

Considerable progress has been made with the work. The total expenditure incurred up to 31 December 1923 on the portion of the scheme completed or in course of construction was £2,333,000. Under the Agreement of 1914 the total cost of the whole of the works was estimated at approximately £4,663,000, of which sum £1,000,000 was to be paid by the Commonwealth Government and £1,221,000 by each of the three States, but it is now clear that the ultimate expenditure will be considerably in excess of this estimate (2). It was also provided that the works were to be completed within twelve years from the date when the Agreement was brought into operation (31 January 1917) but the River Murray Commission has stated that the work cannot be completed within that time. As

(1) It is now proposed that the Hume Dam be so constructed as to allow of its being raised later to provide for a capacity of 2,000,000 acre-feet.

(2) In 1923 it was agreed that the contribution of the Commonwealth Government toward the cost of the works should be increased from £1,000,000 to a quarter share.

already mentioned, however, considerable progress has been made. The total area of land irrigable from the River Murray and its tributaries is estimated to be approximately 1,500,000 acres. F. L. T.

Miscellaneous Questions

GREAT BRITAIN AND NORTHERN IRELAND

Agricultural Policy in Great Britain since the War. — CORN PRODUCTION ACT, 1917. — AGRICULTURE ACT, 1920. — CORN PRODUCTION ACTS (REPEAL) ACT, 1921. — AGRICULTURAL WAGES (REGULATION) ACT, 1924. — AGRICULTURAL POLICY SUB-COMMITTEE OF THE RECONSTRUCTION COMMITTEE, INTERIM REPORT. Cd. 8506. 1917. — FINAL REPORT Cd. 9079. 1918. — ROYAL COMMISSION ON AGRICULTURE. INTERIM REPORT. Cmd. 473. 1920. — AGRICULTURAL TRIBUNAL OF INVESTIGATION. INTERIM REPORT. Cmd. 1842. 1923. SECOND INTERIM REPORT Cmd 2002. 1923. FINAL REPORT. Cmd. 2145. 1924 — COUNCIL OF AGRICULTURE FOR ENGLAND. REPORT ON AGRICULTURAL POLICY London, 1925 — REPORT OF THE SCOTTISH CONFERENCE ON AGRICULTURAL POLICY. Edinburgh, 1925. — CENTRAL LAND-OWNERS' ASSOCIATION STATEMENT ON AGRICULTURAL POLICY SUBMITTED TO THE MINISTER OF AGRICULTURE AND FISHERIES London, 1925. — NATIONAL FARMERS' UNION. MEMORANDUM ON AGRICULTURAL POLICY. London, 1925. — LAND AGENTS' SOCIETY. MEMORANDUM ON A NATIONAL AGRICULTURAL POLICY FOR THE CONSIDERATION OF THE MINISTER OF AGRICULTURE. Westminster, 1925 — AN AGRICULTURAL POLICY. MEMORANDUM BY THE COUNCIL OF THE SURVEYORS' INSTITUTION London, 1925. — CENTRAL ASSOCIATION OF AGRICULTURAL AND TENANT RIGHT VALUERS. MEMORANDUM ON AGRICULTURAL POLICY. 1925. — THE LAND AND THE NATION. RURAL REPORT OF THE LIBERAL LAND ENQUIRY COMMITTEE, 1923-25. London, 1925. — ORWIN (C. S.) and PEEL (W. R.): The Tenure of Agricultural Land Cambridge, 1925. — *Journal of the Ministry of Agriculture*. London, 1916-1925. — *Scottish Journal of Agriculture*. Edinburgh, 1918-1925.

The acute and protracted depression through which agriculture in Great Britain has been passing during the last few years has turned attention to agriculture, and has led to a serious attempt being made to place the industry in a permanently sound position. The results of neglect are now being felt and it is realized that agriculture is vital for the nation, not only for food production but also as an essential factor in its social life.

Arable cultivation is taken as the measure of a prosperous agriculture. Arable land produces more food than grassland and maintains more people in employment. The great increase in arable cultivation during the War was brought about solely as a War measure, to grow food, but it was hoped that that level of arable cultivation would be permanently maintained and the decline of the previous fifty years remedied. Apart from the patriotic sentiment which made this increase possible, the far-

mers were safeguarded against loss on corn growing by the Corn Production Act, 1917, which guaranteed fixed minimum prices for wheat, oats, barley and rye. The principle and policy of this Act was continued by the Agriculture Act, 1920 (Part I), which guaranteed fixed minimum prices for wheat and oats for at least the following four years. With the help of this Act the arable area could have been artificially maintained but the fulfilment of the provisions was found impossible, so much so that it was repealed in the following year by the Corn Production Acts (Repeal) Act, 1921, and a subsidy of £3 per acre for wheat and £4 for oats was paid, but for the one year, 1921, only. With the cessation of Government assistance and with the great fall in the prices of agricultural produce arable farming fell off rapidly and most of the land that was ploughed up during the War has now returned to grass.

But while agriculture is in its present depressed condition the situation has been investigated and analyzed. It is seen that although part of the troubles are due to the disturbed and temporary conditions of the post-War period, yet there are serious deficiencies within the agricultural industry itself not due to those conditions which would have made their presence felt in any case. Thus it is that earnest attempts are being made to formulate a comprehensive and far-sighted policy which will provide a stable basis for a greater and better agriculture. And with the revival of agriculture is put the revival of the countryside and of rural life.

The problem is thus not so much to make existing agriculture profitable as to raise the whole agricultural industry to a higher place in the national life, more nearly approaching the place it held until about fifty years ago.

Many official enquiries into agricultural conditions in Great Britain have been made during the past fifty years, some being thorough and comprehensive studies of the agricultural problem. Agricultural policy, however, has entered on a new phase since the War. The present account will begin with the Agricultural Policy Sub-Committee of the Reconstruction Committee, appointed in 1916. The various enquiries into agricultural conditions and proposals regarding policy will be dealt with in the order in which they have occurred.

Agricultural Policy Sub-Committee of the Reconstruction Committee. — This Committee, known as the Selborne Committee from its chairman, Lord Selborne, was appointed in August 1916, and its terms of reference were: "Having regard to the need of increasing home-grown food supplies in the interest of national security, to consider and report upon the method of effecting such increase". The Committee were asked to consider the question from the point of view not of War but of post-War conditions.

The Committee carried out a thorough investigation of the situation, and issued an Interim Report in January 1917 and a Final Report in 1918. Two very important proposals were made for the reconstruction of agriculture; these are set forth in the Interim Report and are, firstly, that a minimum wage for agricultural labour should be established and that county Agricultural Wages Boards should be set up by the State for that purpose, and secondly, that the State should guarantee minimum prices to the farmer for wheat and oats. A further important recommenda-

tion was that the State should have power temporarily to enforce good cultivation. In the Final Report various supplementary proposals for the reconstruction of agriculture were made, calculated to secure greater efficiency in agriculture and improved conditions in rural life.

Corn Production Act, 1917. — The recommendations contained in the Interim Report formed the basis of the Corn Production Act, passed in August, 1917. Under this Act minimum prices were fixed for wheat and oats for the years 1917-22, these prices being for wheat, per quarter, 1917, 60s. ; 1918 and 1919, 55s. ; 1920, 1921 and 1922, 45s., while the corresponding prices per quarter for oats were 38s. 6d., 32s., 24s. It was provided that if the average of the weekly prices from 1 September to 31 March for wheat and oats fell below the minimum price farmers were to be entitled to be paid by the Board (now Ministry) of Agriculture a sum equal in the case of wheat to four times and in the case of oats to five times the difference between such average price and the minimum price per quarter.

The Act provided that a minimum wage should be paid to agricultural labour. Under the Act a central Agricultural Wages Board for England and Wales was set up, this being established by the Board of Agriculture after consultation with the Ministry of Labour, and District Wages Boards were established throughout the country. On the District Boards as well as the Central Board employers and workers were equally represented and a number of members were appointed by the Board of Agriculture. The duty of the District Boards was to recommend to the Central Board minimum rates for their respective districts. The Central Board fixed, varied, or cancelled the rate suggested as it thought best, but itself was obliged to reconsider any rate if directed to do so by the Board of Agriculture. The provisions regarding minimum wages applied with certain modifications to Scotland and District Wages Committees and a Central Committee were set up to carry the provisions into effect.

A further provision gave the Boards of Agriculture for England and Wales and for Scotland power temporarily to supersede or to dispossess occupiers of land which was being managed or cultivated in such a way as seriously to affect food production. Another provision placed restrictions upon the raising of rents of agricultural land.

Royal Commission on Agriculture. — This Commission was appointed in July 1919 to enquire into the economic prospects of the agricultural industry in Great Britain with special reference to the adjustment of a balance between the prices of agricultural commodities, the cost of production, the remuneration of labour, and hours of employment.

One of the main points with which the Committee dealt was whether the guarantees given to farmers under Part I of the Corn Production Act, 1917, should be continued or not, and if continued whether any alteration was required either in their amount or in the conditions attached to them. On this question the Commission was sharply divided. The majority (a majority of one) favoured the continuance of the guarantee and recommended that minimum prices for wheat, barley and oats should be guaranteed by the State, on the same principle and conditions as laid down in Part I of the Corn Production Act, the producer being allowed an unrestricted

market for his produce, but the State retaining the right to control prices in cases of national emergency. It was recommended that the guarantee should continue for at least four years, but payment of the guaranteed prices to be subject to good cultivation on the part of the farmer.

The minority were not convinced that measures found necessary during the War should be continued in time of peace, and could not recommend the guarantee of prices which might render remunerative such wheat areas as were only able to produce $3\frac{1}{2}$ quarters or less to the acre. It recommended that farmers should be left free to cultivate their land as they deemed best, in accordance with the rules of good husbandry, that the Boards of Agriculture should organize an efficient system of distribution of all available information relating to the progress and prospects of agriculture, with special reference to the course of world prices, and that so long as prices of cereals were controlled by the Government, the farmers should be paid at prices not less than those at which the commodities controlled could be imported.

Agriculture Act, 1920, and Corn Production Acts (Repeal) Act, 1921 — Following the recommendations of the Agricultural Policy Sub-Committee and the Royal Commission the Agriculture Act, 1920, was passed (1). This Act consisted of two parts, the first amending the Corn Production Act, 1917 (2), and continuing it in operation, and the second amending the Agricultural Holdings Acts, 1908 to 1916.

Part I of the Act made permanent (subject to withdrawal on a four years' notice) the temporary provisions of the Corn Production Act, guaranteeing minimum prices for wheat and oats, and providing for the payment of minimum rates of wages to agricultural workers. The provisions for the enforcement of proper cultivation were included in a modified form. Instead of the fixed guaranteed minimum prices laid down by the Act of 1917, minimum prices were to be based on the following minimum prices for the year 1919, that year being taken as the standard, namely, wheat 68s. per quarter of 504 pounds, and oats 46s. per quarter of 336 pounds. Minimum prices for 1921 and subsequent years were to be fixed by three Commissioners and were to rise or fall in comparison with the above prices for the standard year in the same proportion as the cost of production rose or fell in comparison with the cost for the standard year.

Part II of the Act gave the farmer additional security against loss by eviction.

The provisions contained in Part I of this Act were, as already mentioned, found impossible of fulfilment and were repealed in the following year by the Corn Production Acts (Repeal) Act, 1921. This Act repealed as from 1 October 1921 the Corn Production Acts, 1917 and 1920 (i.e., the Act of 1917 and Part I of the Agriculture Act). In return it provided for a cash payment to be made to farmers for wheat and oats produce during 1921, £3 per acre being paid for wheat and £4 per acre for oats, and for the

(1) In December 1920.

(2) Part I of the Agriculture Act is construed with the Corn Production Act, 1917, the two Acts being cited together as the Corn Production Acts, 1917 and 1920.

payment of a sum of £1,000,000 to be devoted to the promotion of agricultural education and research, £850,000 being allotted to England and Wales and £150,000 to Scotland. The repeal of the Corn Production Acts thus brought to an end the system of guaranteed minimum prices, and abolished the machinery for fixing minimum wages. In place of the Agricultural Wages Board and the District Wages Committees local voluntary Joint Conciliation Committees were established for the purpose of dealing with wages, hours and conditions of employment. Both the District Committees and the central Agricultural Wages Board were re-established in England and Wales by the Agricultural Wages (Regulation) Act, 1924, passed in August, 1924. In Scotland the voluntary system has been continued.

Agricultural Tribunal of Investigation. — This body, consisting of three well-known economists, was appointed by the Government in December 1922 to inquire into the methods adopted in other countries during the past fifty years to increase the prosperity of agriculture and to ensure the fullest possible use of the land for the production of food and the employment of labour at a living wage, and to advise as to the methods by which these results could be achieved in Great Britain.

The Tribunal carried out a notable review of British agriculture. In reporting it recommended that certain special measures for the encouragement of agriculture should be adopted by the Government, but that along with these should go measures to secure greater all-round efficiency and stability in agriculture. It emphasized the need for maintaining the arable area both from the point of view of providing employment for a large number of workers and of producing food, and it recommended that a subsidy on all arable land should be granted, with an additional subsidy on land under wheat. The subsidy was to be 10 shillings per acre on all arable land (including fallow but excluding land under clover and grass seeds) with an additional subsidy of 10 shillings per acre on land under wheat. The need for adequate wages for agricultural workers was also emphasized and the Tribunal recommended that as a condition of the subsidy the Agricultural Wages Boards should be re-established, in order that the workers might share in any benefit from Government assistance for agriculture.

As other special measures the Tribunal recommended a duty on imported malting barley and on hops, and advised that the importation of potatoes should be regulated by the President of the Board of Trade.

As more general measures the Tribunal especially recommended an extension of agricultural credit facilities, the encouragement and development of co-operation, the extension of the small holdings movement, a reduction in railway rates on farm products and farm supplies, a revision of local rating and the encouragement of agricultural education and research.

The Government was unable to adopt the recommendation for the payment of a subsidy but it did impose a duty on imported malting barley. The Wages Boards, as already mentioned, were re-established by the Act of August, 1924.

Recommendations by various Agricultural Interests regarding Agricultural Policy. — At the end of 1924 the Minister of Agriculture reopened the question of agricultural policy. In order to formulate as comprehensive and basic a policy as possible the Government decided to summon a Conference of representatives of the three principal agricultural interests, landowners, farmers, and workers, to discuss the problem thoroughly together and to arrive at agreed conclusions as to the main features of the policy which should be adopted.

The Government emphasized the vital importance of agriculture in the national economy and urged that a fresh attempt should be made to arrive at an agreement as to the measures necessary to secure the objects which all parties in the country unanimously desire, these objects being that the industry shall be conducted in such a manner as will secure the maximum employment of labour at reasonable rates of wages, together with the full use of the land for the production of food at the lowest possible prices consistent with a fair return to all those engaged in the industry. The Government stated that it was of primary importance to maintain, and if possible increase, the area of arable land, since the maintenance and extension of the arable area corresponds with the national needs by providing a greater production of food and greater employment than would be provided if arable land were to go back to grass. The Government therefore proposed that the terms of reference to the Conference should be "to consider what measures, if any, are necessary either by the State or by the agricultural industry itself or by both in concert (1) to maintain and (2) to increase the area of arable land in England and Wales, and by what further measures the economic maximum production of food from all the agricultural land of the country can be stimulated". A similar Conference with similar terms of reference was proposed for Scotland.

The Minister urged that too much weight should not be given to the production of wheat from the point of view of national security to the exclusion of other arable crops since land under efficient arable cultivation could be devoted to wheat growing if necessity arose. He urged too that the problem was not merely one of acreage and that any measures recommended should be designed to secure the highest possible standard of profitable production from all the land of the country, whether arable or grass. The Minister stated that there had been too much tendency to consider the agricultural problem in terms of corn growing alone, whereas the live stock industry, in its wide sense, including meat of all kinds, milk, butter, cheese, poultry and eggs, accounts at the present time for probably three-fourths of the total annual value of the agricultural production of the country, while potatoes together with fruit and vegetables represent another ten per cent. He urged that an increase of these forms of production, though not in all cases affecting the problem of employment so directly as corn growing, was of very great importance in the national interest.

It was the intention of the Government in calling the Conference that the agricultural industry itself should be given an opportunity of formulating a policy, and it hoped that as the period of acute depression since the War appeared to be over the Conference would be able to consider the prob-

lem in an atmosphere undisturbed by abnormal conditions or by demands for emergency measures of relief.

It was not found possible in England and Wales to hold the Conference as proposed and so, as an alternative, the Minister invited various representative bodies to present him each with a memorandum setting forth its views regarding an agricultural policy. In Scotland the Conference was held as proposed and a unanimous report issued.

In England and Wales memoranda were submitted by the following bodies: the Council of Agriculture for England (the official advisory body to the Minister of Agriculture), the Central Landowners' Association, the National Farmers' Union, the Land Agents' Society, the Council of the Surveyors' Institution, and the Central Association of Agricultural and Tenant Right Valuers. The National Union of Agricultural Workers were invited to present their views but did not do so.

The opinions expressed by these different bodies harmonized fairly well with one another. The two essential objects kept in mind were food production and employment. The importance of arable cultivation was unquestioned.

In discussing the maintenance of the arable area it was pointed out that the decline in arable cultivation had taken place because it was not profitable to the farmers to maintain the previously existing area. While the nation's problem was one of national efficiency and national security the farmer's problem was an economic one. Thus it was urged that if the nation desired the arable area to be extended beyond the limit at which it was profitable to the farmer it must pay the cost. A subsidy on arable land was recommended as only by some form of subsidy could an immediate increase in the arable area be obtained. The Council of Agriculture recommended that the subsidy should take the form of a grant per acre upon the land worked in bare fallow or in fallow crops, believing that by this means the existing arable land would be improved and its acreage fully maintained and extended, that employment would be increased because of better cultivation, and that the improved position of the farmer due to better crops would result in better wages for the agricultural worker.

The subsidy, however, formed only one part of the proposals. It was urged that there were many directions in which agriculture was in need of help and in which help would very profitably be given by the State. The combined effect of the various measures to give such encouragement would result in greater efficiency in agriculture and put the industry in a more stable and prosperous condition. It was recommended that the chief features of such a policy should be: Improvements in the system of agricultural education and research; the encouragement of small holdings and the improvement of rural housing; an improved system of agricultural credit; better marketing and transport of agricultural produce; the encouragement of organization and co-operation; the steadying of agricultural prices; the lightening of the burdens of taxation on land and especially of death duties; and, the improvement of land drainage.

Great emphasis was laid upon the need for further education and re-

search in agriculture. The National Farmers' Union, for example, stated that the Union "entirely concurs in the importance to be attached to research work and a sound rural educational policy as factors in the future well-being of the industry. The Union looks upon the primary school, the secondary school, the farm institute, the agricultural college and the university as component parts in the scheme of agricultural education". The Union stated also that to secure the maximum efficiency of the educational system the "urban bias" must be eliminated from rural school curricula.

Both landowners and farmers pointed to the difficulties which arise on the sale of estates, and emphasized the need for credit facilities to enable tenants to purchase their holdings. The landowners suggested that credit for purchase of farms should be administered through a properly constituted Land Bank or similar organization and kept separate from a short term credit system. On the matter of tenancy the National Farmers' Union asked that greater security against loss through notice to quit should be given to farmers.

With regard to the burden of taxation the landowners pointed out that direct taxation imposed a heavy burden on British agriculture in comparison with the corresponding burdens in overseas countries, with the produce of which home agriculture had to compete, that whether paid by landlord or tenant this burden was a first charge on production and its alleviation a matter of grave concern to all classes whether landlords, workers or farmers.

Improvement in land drainage and the increased use of lime was strongly urged and it was stated that much arable land was in need of two essential things, namely, drainage and liming, in order to bring it to full productivity.

The Scottish Conference gave as its opinion that there could be no large increase in the area of arable land in Scotland save through the agency of measures to protect agriculture from overseas competition or from fluctuations in world prices, such measures taking the form, for example, of tariffs on imports, subsidies, or regulation of prices in the home markets. The Conference did not think, however, that a policy based on such measures would be accepted either by Parliament or by the country at large; it therefore proposed a policy based upon a general series of measures, which it hoped would be non-controversial, designed to bring about a general improvement in agriculture, the cumulative effect of such measures being to help in maintaining the arable area, to lead to a better average standard of farming, and to secure a larger rural population.

These proposals were similar in many respects to the proposals made in England and Wales. The chief recommendations were: The better drainage of land and the greater use of lime; improvements in rural housing and in farm buildings and equipment; the extension of agricultural education and research; the encouragement of dairying and the improvement of live stock; the development of co-operation; the provision of credit for improvements and land purchase; improvement in marketing methods; the utilization of electricity in agriculture, the installation of

rural telephones and improvement in means of transport ; and, relief in the matter of taxation and rating.

The Conference examined carefully the important question of whether Scottish land tenure in future should be based mainly on the system of landlord and tenant or on that of occupying ownership. Its opinion was that given suitable conditions there was need for both systems in Scotland and that indeed both should exist side by side. It therefore particularly recommended that the State should provide loans on favourable terms both to landlords to enable them to carry out necessary agricultural improvements on their estates (including erection of workers' houses, farm buildings and other equipment) and to tenants who may wish to purchase their holdings.

With respect to co-operation the Conference considered that the work of propaganda and instruction in co-operative methods is better left in the hands of a representative body such as the Scottish Agricultural Organisation Society than transferred to a government department.

Proposal for the Assumption of Possession of the Land by the State. — In the latter half of 1925 the Liberal Party came forward with a definite and far-reaching proposal for land reform in England, namely, that the State should buy out the landlords and assume possession of the land. A Land Committee was appointed by the Party in 1923 to examine the whole rural problem, and its Report has now been issued setting forth the situation as the Committee sees it. The Liberal proposals may be stated in short as follows :

Under-capitalization is the main source of trouble with British agriculture ; in the past the landowners have supplied the necessary capital for the land and have thus justified their position in agriculture, but at the present time they are unable adequately to finance their land and will not be able to do so in the future ; therefore the State, which is able to supply the capital necessary for the greater use of the land for food production, must take over the land from the landlords.

In other words, a tenant farmer will become a tenant of the State instead of a private landlord. This system is to be known as " cultivating tenure ". County Agricultural Authorities will have powers of supervision and control to ensure that efficient cultivation is practised. Subject always to good husbandry tenure is to be for life with power to transmit to heirs.

Owner-occupiers are to be left in possession of their land, this system being known as " cultivating ownership ". Landlords may retain their home-farms as cultivating owners. Adequate compensation in the form of annuities is to be paid to landlords.

Together with the proposals regarding the ownership and tenure of the land are made proposals for the general improvement and encouragement of agriculture. Among other things it is proposed that County Loans Boards and a central Agricultural Loans Board be set up to deal with credit ; the function of the local boards being to inquire into applications for loans and that of the central Board to provide the credit approved by the local boards. The central Board would obtain money by the issue of agricultural loan stock.

The Liberal Land Committee does not think that a subsidy of any

kind is within the bounds of practical politics, or that protection for agricultural produce is ever likely to be voted for by a population so overwhelmingly urban as that of Great Britain.

A proposal that the State should take over the ownership of agricultural land has also been made by the agricultural authority, Mr. C. S. Orwin, who approaches the problem independently and quite apart from any political consideration. He explains that State ownership of land has nothing whatever to do with State control of agriculture and he advocates State ownership in the interests of adequate financing and efficient cultivation.

Future Outlook. — In any discussion as to an agricultural policy in Great Britain it must be borne in mind that Great Britain is preponderantly an industrial and manufacturing country, and also that it is the market centre for the agricultural products of the Empire. These facts exercise a considerable influence upon agriculture and upon any agricultural policy which could be adopted. As regards policy, any policy of protection or even of subsidy, except perhaps as a temporary measure having regard to the present depression, would meet with strong opposition. Strong opposition would also be met with in attempting to carry out the proposal that the State should buy out the landlords. But it is being realized more and more, and by all classes engaged in agriculture, that the permanent solution of their problem lies in greater all-round efficiency.

During the past few years much has been done to raise the general level of agriculture. Various measures to encourage agriculture have been passed by Parliament, such as the Agricultural Credits Act, 1923, or the Agricultural Wages (Regulation) Act, 1924. Agricultural education and research is being energetically developed ; funds provided by the Government have been of great help in this direction. But apart from the results which these and other such measures will give, the revival of interest in agriculture and the emphasis now being placed on efficiency will go far to solve the problems of British agriculture.

F. L. T.

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